



SOLAR POWER DEVELOPERS ASSOCIATION  
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SPDA/PG/2021/313

May 05, 2021

To,

**Shri Indu Shekhar Chaturvedi**

**Secretary,**

Ministry of New and Renewable Energy  
CGO Complex, New Delhi

**Subject: Resolution on issues being faced for Rooftop Solar Projects installed in Gujarat under the RESCO Model**

Respected Sir,

Greetings from Solar Power Developers Association.

At the outset we commend Govt. of India's efforts to boost the National Solar Mission, in scaling up the development of Grid-Connected Solar Power including rooftop, from 20,000 MW to 1,00,000 MW by 2022, giving a high priority to grid-connected Rooftop with a capacity of 40,000 MW.

Under the MNRE scheme for Implementation of 50MWp Grid Connected Roof Top and Small Solar Power Plants Programme, REIL (Rajasthan Electronics & Instrument Ltd) organized a tender for PAN India to promote Rooftop Solar Project on Government Buildings. Some of the developers in the State of Gujarat have been facing various issues which are hampering the successful operation of distributed rooftops under RESCO models on various government buildings of ESIC Hospitals, Dispensary and Hindustan Copper.

**1. Requirement of clarity & ease of process approval for Net metering approval for Solar Rooftop project installation.**

As a part of tender conditions, access to the data room was provided to the developers containing the detailed site survey report, based on this sites were shortlisted. Feasibility studies were carried out by the external vendor, majorly covered the site/load details, detailed power flow study could not be carried out as customer were not able to furnish their 12 months Electricity bills, wherein all projects have been installed 50% of their contract demand as per the Gujarat Policy/Regulations.

It was also communicated during the pre-bid stage, that tender is being organized on a PAN India basis under the MNRE guidelines, hence required approvals for rooftop projects for any states shall also be governed as per the MNRE guidelines.

But during the execution & net metering application process, developers requested REIL to discuss with GEDA and get permission for the Net Metering as they found constraint in the policy for net metering approval, thereafter they had a discussion with GEDA & were informed later that Gujarat state is coming up with revised Net Metering Policy by Dec'20 which will have the provision for Net Metering and recommended that in the meantime solar plant can be installed by putting Reverse Power Relay (RPR) in the circuit and power can be used for captive propose only.



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In the course of time, GEDA issued Gujarat Solar Policy'2021 where they have included Gross Metering instead of Net Metering for the RESCO projects and also levied charges like Cross subsidy, Electricity Duty and Additional surcharge which are making projects unviable and turning projects into Non-Performing Assets, wherein a majority of the projects are being funded by nationalized bank using credit lines from World Bank, any performance issues on account of regulatory approvals may lead to loss of credit-worthiness of the Country.

All the projects under the bid have been installed successfully in the state of Gujarat but they are not generate power as per their maximum capacity due to the non-availability of net metering and contract load constraint of the customer which triggers the Reverse Power Relay and curtails the power generated inline to the customer operating load, site-wise generation and issues are attached separately as Annexure-I.

In line with the above concerns, one of the critical issues the developers are facing is regarding net metering approval (Gujarat Energy Development Authority/DISCOM) for the projects mentioned above installed on the Government buildings under the Government scheme/tender. In the absence of net metering, the plant is shut down most of the time, due to relays getting operated at lower consumption.

**Suggestion:**

1. Providing Net Metering irrespective of RESCO/CAPEX model to Rooftop Solar Plants being installed on the Government buildings will go a long way in achieving the national mission for solar coupled with savings for various government organizations in the State of Gujarat, wherein other neighbouring states like MP, Maharashtra, Rajasthan are providing net metering approvals for the rooftop projects irrespective of RESCO/CAPEX model. Recently, MOP has also issued an amendment to Electricity Rules, which proposes net metering for the projects up to 500kW capacity.
2. The rooftop solar plants are being installed in the same premises where the energy is getting consumed, therefore imposing Cross Subsidy Surcharge, Additional Surcharge and Electricity Duty should not be levied & contradicts the promotion of solar rooftop which is being envisaged in the Gujarat Solar Policy'2021.
3. Moreover, MNRE has also written several times and mandated concerned authority to accord any approval included net metering that may be required by the Developers for smooth functioning of the rooftop projects but the same is not being honored:

*Provisions abstracted from the MNRE Circular dated 12th June 2018*

*“MNRE has been promoting rooftop solar power plants on the government buildings across the country and issued various notifications/circulars to streamline the issues/challenges faced by the solar power developers in the developments of solar rooftop power plants. Further, they have issued circular for exempting registration with State Nodal Agency and empower the developers to accord any approval including net metering that may be required by the Developer(s) for the projects being implemented by SECI, NTPC, NVVN or any other agency on behalf of Ministry of New & Renewable Energy (MNRE).”*



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MNRE has released the notification vide office memorandum No: 283/65/2018 -Grid Solar dated 12th June 2018 with the approval of Hon'ble Minister (Power & NRE) which states:-

- i. "The registration of RE projects with the State Nodal Agency (SNA), is not required for the projects being implemented by SECI, NTPC, NVVN or any other agency on behalf of Ministry of New & Renewable Energy (MNRE). Further, there is also no requirement of any recommendation for State RE Nodal Agencies as a condition for any approval that may be required by the Developer(s) for project implementation. It would be sufficient to have a valid LOA or PPA either with SECI, NTPC, NVVN or any other agency through which the project is being implemented by MNRE for seeking any approval that may be required for the project"
- ii. Directed all divisions/implementing agencies of the Ministry to take appropriate action to comply with above clarification in their programme/scheme as per applicability and amend the respective guidelines accordingly."

**Request:**

Therefore, it is requested to kindly advise the concerned departments/DISCOM of Gujarat to accord the necessary approvals including net metering for Solar Rooftop Power Plants installed on the various government buildings to maximize the usage of Green Power (Solar Power) and enable to contribute towards the timely achievement of National Renewable Energy targets.

We sincerely hope our submission shall go favourably at your end and we shall be informed accordingly.

We look forward to your support in this matter.

Thanking you.

Yours Sincerely

Praveen Golash  
Joint Secretary -SPDA

**CC:**

1. **To,**  
**Shri Amitesh Kumar Sinha,**  
**Joint Secretary,**  
Ministry of New and Renewable Energy  
CGO Complex, New Delhi