

**No. 1/3/2008-09/ST
Government of India
Ministry of New and Renewable Energy**

**Block No. 14, C.G.O. Complex,
Lodi Road, New Delhi -110 003**

Dated: 28/08/2008

**Chief Secretaries of the State Governments / Union Territories
Chief Executive Officers/ Directors of All State Nodal Agencies
CMD/Chief Executives/Heads of All Utilities**

Subject: Sanction of continuation of the "Demonstration Programme on Grid Interactive Solar Thermal Power Generation for the year 2008-09".

Sir,

Sanction of the President is hereby conveyed for continuation of the "Demonstration Programme on Grid Interactive Solar Thermal Power Generation for the year 2008-09."

2. The above scheme will be implemented during 2008-09 as per same funding norms / guidelines and other provisions applicable during 2007-08 as announced vide sanction no.8/1/2007-08/ST dated 31/03/2008 till 31st March, 2010 and until such time the same is superseded by fresh / new programme / scheme.

3. Release of generation based incentive / CFA / financial support on the basis of provisions of programme / scheme / sanction 2007-08 will continue to be governed by the set provisions even after the same are superseded by fresh / new programme / scheme.

4. All the SNAs and project developers are requested to take up scheme for implementation as per the guidelines of 8/1/2007-08/ST dated 31/03/2008.

5. Necessary funds for implementation of the Demonstration Programme during 2008-09 will be drawn from Demand No.67, Ministry of New and Renewable Energy, Major Head '2810' Ministry of New and Renewable Energy, Sub-major Head 02.101 Solar Thermal Energy Programme, Sub Head 04-Solar Thermal Power Generation, Detailed Head 04.01 Research and Development, Demonstration & Technology Utilization, 04.01.31 Grants-in-Aid 2008-2009 (Plan).

6. This sanction issues under the power delegated to Ministry of New and Renewable Energy and with approval of the Minister (NRE) and with the concurrence of IFD vide their diary no.IFD/SAN/109/333/2008-09 dated 27/08/2008.

Yours faithfully,

**(R.P. Goswami)
Director / Scientist 'E' (ST)**

Copy to:-

1. Principal Director of Audit (Scientific Departments), AGCR Bldg., I.P. Estate, New Delhi – 110 002
2. SS&FA/All Advisers/ JS (P&C and Admn)
3. Chairman & Managing Director, Indian Renewable Energy Development Agency, India Habitat Centre, Lodi Road, New Delhi-110 003.
4. Director (ST)/Dir (F)/PSO (ST) / SO (SE)/AO (F)
5. PS to Minister (NRE)
6. Sr. PPS to Secretary, MNRE
7. Sanction Folder

**(R.P. Goswami)
Director / Scientist 'E' (ST)**

No. 8/1/2007-08/ST
Government of India
Ministry of New and Renewable Energy

Block No. 14, C.G.O. Complex,
Lodi Road, New Delhi -110 003
Dated: 31/03/2008

The Pay & Accounts Officer,
Ministry of New and Renewable Energy,
New Delhi-11003.

Subject: Demonstration Programme on Grid Interactive Solar Thermal Power Generation

Sir,

I am directed to convey sanction of the President for undertaking a Demonstration Programme on Grid Interactive Solar Thermal Power Generation in the country till 31st March, 2010, as per the provisions given in the following sections and the **Annexure I – VII**. The Indian Renewable Energy Development Agency (IREDA) will assist the Ministry in fund handling, monitoring and other associated activities in this regard.

2. Objectives

The following are the main objectives of the demonstration.

- (i) Development and demonstration of mega-watt capacity grid interactive solar thermal power generation in the country
- (ii) Reduction in the cost of solar thermal power plants/systems
- (iii) Reduction in the cost of electricity generation from grid interactive solar thermal power plants

3. Implementation Arrangements

The project proposals will be considered by the Ministry for approval on first come and first served basis, in accordance with the guidelines contained in this approval. Each proposal will be examined and approved on merit in accordance with the guidelines and applicable procedures given in **Annexure-I and Annexure-II**. The grid interactive projects will be set up by the project developers on build own and operate basis for which funds will be organized by the project developers. IREDA will assist the Ministry in organizing business meets, awareness programmes and other related activities, as considered necessary for promotion of grid solar thermal power generation in the country.

4. Targets and Generation Based Incentive

The Ministry may approve generation based incentive for solar thermal grid interactive power projects with a maximum installed capacity up to 25 MW by 31st March, 2010. The Ministry will provide a generation based incentive to grid interactive solar thermal power plants, which feed solar thermal electricity to the grid, subject to meeting the guidelines and eligibility requirement in this regard. The Ministry may consider to provide a maximum of Rs. 10 per KWh for the electricity generated and fed to the grid, from a grid interactive solar thermal power plant of a capacity of one

MW and above, to the eligible solar thermal power project developers. The incentive may be available for a maximum duration of ten years for an approved project. The Ministry will also provide generation based promotional incentive of 10 paisa per kWh to the concerned utilities and one time incentive of Rs. 2 lakhs per MW to the concerned state nodal agencies. The details of permissible incentives, its duration, other related conditions etc. are given in the **Annexures- I & II.**

5. Technical & Performance Requirements

The broad technical and performance requirements of grid interactive solar thermal power generation projects covered under the Demonstration Programme are given in **Annexure – I.**

6. Monitoring Arrangements

IREDA will devise suitable arrangements for monitoring and evaluation of Grid interactive solar thermal power generation projects sanctioned under this demonstration programme in accordance with the guidelines given in **Annexure-I.** IREDA may take other measures as considered appropriate for monitoring/ inspection/ performance evaluation of grid interactive solar thermal power generation projects in the field.

7. Necessary funds for implementation of the Demonstration Programme during 2007-08 will be drawn from Demand No.65, Ministry of New and Renewable Energy, Major Head '2810' Non-Conventional Sources of Energy, 02.101 Solar Thermal Energy Programme, 02-R&D, 02.00.31 Grants-in-Aid 2007-2008 (Plan).

8. This issues in exercise of delegated powers of the Ministry and with the approval of competent authority and the concurrence of IFD vide No. IFD/SAN /108/1260/2007-08 dated 31/03/2008.

Yours faithfully,

**(R.P. Goswami)
Scientist 'D' (ST)**

Copy to:-

- 1. Principal Director of Audit (Scientific Departments), AGCR Bldg., I.P. Estate, New Delhi – 110 002**
- 2. Chairman & Managing Director, Indian Renewable Energy Development Agency, India Habitat Centre, Lodi Road, New Delhi-110 003.**
- 3. Chief Secretaries of the State Governments / Union Territories**
- 4. Directors/ Chief Executive Officers of All State Nodal Agencies**
- 5. CMD/Chief Executives/Heads of All Utilities**
- 6. PS to Minister (NRE)**
- 7. Sr. PPS to Secretary, MNRE**
- 8. SS&FA/All Advisers/ JS (GS)**
- 9. Director (ST)/Dir (F)/PSO (ST) / SO (SE)/AO (F)**
- 10. Sanction Folder**

**(R.P. Goswami)
Scientist 'D' (ST)**

**GUIDELINES FOR GENERATION BASED INCENTIVE FOR GRID INTERACTIVE
SOLAR POWER GENERATION PROJECTS**

The following are the broad guidelines for submission of proposals by the interested project developers, details of incentives to the project developers and other related guidelines.

1. Eligible Organizations

- 1.1 All existing registered companies, central and state power generation companies and public/private sector solar thermal power project developers who have set up or propose to set up a registered company in India will be eligible for consideration of generation based incentive. Individuals, NGOs, financial institutions, societies and other unorganized investors are not eligible to participate directly.

2. Eligible Projects & Eligibility Criterion

- 2.1 Grid interactive solar thermal Power Generation plants of a minimum installed capacity of one MW per plant at a single location will be eligible for generation based incentive. However, one mega-watt capacity may be set-up through modular units to make one megawatt at a single location.
- 2.2 A maximum cumulative capacity of 10 MW of Grid interactive solar thermal power generation projects can be set up in a State.
- 2.3 Any project developer, who fulfills the procedural requirements and the guidelines specified by the Ministry, will be eligible for consideration of generation based incentive. Any project developer can set up grid interactive solar thermal power generation projects up to a maximum of 5 MW capacity in the country, either through a single project or multiple projects of a minimum capacity of one MW each.
- 2.4 The grid interactive solar thermal power generation projects will be undertaken on Build Own and Operate basis.
- 2.5 Setting up of captive grid interactive solar thermal power plant or captive utilization of solar thermal power is not covered under the generation-based incentive scheme of the Ministry.
- 2.6 In case any project developer is desirous of availing the accelerated depreciation benefit for the project under section 32 of the Income Tax Act 1961, they would not be eligible for generation-based incentive.

3. Procedures to be followed by Project developers for availing Generation based Incentive

- 3.1 The grid interactive solar thermal power projects will be considered for generation based incentive on first come first served basis, in accordance with the guidelines of the Ministry and compliance of the procedural requirements for filing the applications/requests for incentive. Mere information to the Ministry and/or IREDA about the intention of the company/project developer to set up a

grid interactive solar thermal power plant will not be sufficient basis for this purpose.

- 3.2 Before submission of application, the interested solar power project developers are required to ensure compliance of all legal and procedural requirements and obtain all necessary clearances from the concerned State Government/State Utility/State Nodal Agency/local bodies and other organizations, as specified by the concerned State Government and/or Central Government.
- 3.3 The state agencies and utilities will provide all assistance and support to the project developers for evacuation of power from the project site, as done in case of other renewable energy based projects, unless specific guidelines for solar power projects are approved by the respective regulatory commissions, which are different from the existing guidelines for other renewable energy projects.
- 3.4 The interested project developers are required to submit complete applications in duplicate to the Ministry with two copies to IREDA. The project developer will also submit copies of the DPR for the project.
- 3.5 For each project submitted to IREDA and the Ministry for generation based incentive in the prescribed formats, among other details information on technical and performance features, technical specifications, requirement and availability of land, title of the land, capital cost, estimated life of the solar thermal power plant, quantum of electricity expected to be generated and fed to the grid, proposed sale price of electricity from solar thermal power plant, duration of power purchase agreement and power purchase rate (s), arrangements for power evacuation and the time frame for installation/commissioning of the grid solar thermal power plant etc. are required to be furnished.
- 3.6 On receipt of application, which is complete in all respect, the eligibility for generation-based incentive will be examined in accordance with the guidelines of the Ministry.
- 3.7 Applications which are incomplete or do not provide firm and clear information will not be considered on first come first served basis. The concerned project developer will be informed accordingly and the complete application will be treated as a fresh application.
- 3.8 On examination by the Ministry, if a proposal is found to be eligible, the prospective developer will be informed whether the proposal falls within the approved limit of installed capacity allowed for the concerned state. The applicant will also be informed of the timeframe for installation and commissioning of the plant, which will normally be as stated by the project developer, but not later than 31st December 2009. This communication will not automatically entitle the project developer to claim the generation-based incentive for any project, unless commissioned within the specified timeframe.
- 3.9 The project developers will be required to install and commission the grid interactive solar thermal power projects, within the time frame communicated at the time of acknowledging the eligibility of the project. The first progress report must be submitted to the Ministry with a copy to IREDA not later than six months from this date. In case there is no progress on procurement and installation of the plant is noticed in the first six months after the eligibility has been communicated, the Ministry may consider cancellation of the project. In case of progress in the first six months and subsequent delays in completion of

project work beyond the specified completion date communicated to the project developer, Ministry will impose penalty by reducing the incentive by 1% for each month of delay, subject to a maximum of 5%. In all cases even the delayed project should be completed by 31st December, 2009, failing which the Ministry will review the decision to provide incentive for that project.

- 3.10 Considering the possibility that the full capacity of maximum one MW be commissioned in phases by modular commissioning, incentive would be calculated on the commissioning of a minimum of 250 kW and above and sale to the grid, but the disbursement of the incentive would begin only when a minimum capacity of one MW is commissioned and power sold to the grid.
- 3.11 All eligible projects will be inspected by a team consisting of officials from the Ministry, concerned state nodal agency, utility and IREDA before the project starts feeding power into the grid and only after the satisfaction of the team regarding compliance to the requirements, the project will be approved for generation based incentive. The generation-based incentive will be approved only after demonstration of satisfactory commissioning of the plant at the project site and it's interfacing with the grid of the utility.
- 3.12 While the generation based incentive scheme is applicable to the entire country, preference/priority would be given to those projects, which are proposed in the States that have approved and/or notified tariff for solar power.
- 3.13 A dedicated electronic meter or any other meter (s) as specified and approved by the utility will be installed at the point of power evacuation and/or any other point as specified by the utility. This will be used to monitor the quantum of net electricity being fed to the grid from that project.
- 3.14 The solar thermal power project developers are not allowed to use any other source of power generation along with the solar thermal power project. No other power-generating source will be connected to the same meter, which is used to monitor quantum of solar thermal power fed to the grid from the grid interactive solar thermal power plant. At any time after the solar thermal power plant is connected to the grid, if it is found that any other source of power generation is in use or have been used to feed power to the grid through the same meter at that project site, that project will not be eligible to receive generation based incentive. In-house consumption of solar thermal power generated from the grid interactive solar thermal power project shall not be eligible for incentive. In other words only sale of power to the grid is eligible.
- 3.15 The grid interactive solar thermal power plants, which receive generation based incentive will not be transferable to a new management or sold to any other company without prior written approval from Ministry. In the event of transfer without prior approval from the Ministry, generation based incentive will not be continued for that solar thermal power generation project. However, the Ministry may review the project afresh and decide about new quantum of incentive for that project, if any, for the remaining period.
- 3.16 Solar thermal power project developers shall not avail accelerated depreciation benefit under Section 32 of the Income Tax Act 1961. The solar thermal power project developers who submit their applications to the Ministry with a copy to IREDA and required to submit a declaration to this effect. On approval of the project, IREDA will enter into an agreement with the project developer, among other matters, in this regard. If any violation of this condition is found, IREDA will immediately stop release of generation-based incentive to that project and refer the matter to the Ministry.

- 3.17 Third party sale, banking and wheeling of power is not permitted while availing generation-based incentive.
- 3.18 The project developers will maintain a record of power generation, incident solar radiation on the solar thermal array surface and other technical features of the power plant for the entire period during which they will receive incentives. A copy of the data should also be available in electronic form. This record will also be made available readily for verification / audit purposes, if required.

4. Generation based Incentives

- 4.1 Wherever the state electricity regulatory commissions have fixed a separate tariff for solar power or they fix the tariff for solar power during the period for which the Ministry is providing incentive, the utilities will offer a minimum of that tariff to the solar thermal grid interactive power projects in their respective states. In absence of such tariff orders, the utilities will offer the highest tariff for purchase of power to the solar thermal power project developers, that is being offered by the utilities for purchasing power in their respective states on medium term or the highest tariff being provided for purchase of power from any other energy source for which orders/guidelines are already issued for that State. The PPA would draw reference to the orders of the State Electricity Regulatory Commission's order in this regard and enclose copies of the same. The Ministry will not consider proposals, which do not follow these guidelines on power purchase agreements.
- 4.2 The Ministry may provide, through IREDA, a generation-based incentive of a maximum of Rs. 10 per kWh to the eligible projects which are commissioned by 31st December, 2009, after taking in account the power purchase rate (per kWh) provided by the State Electricity Regulatory Commission or utility for that project.
- 4.3 The maximum amount of generation based incentive applicable for a project will be determined after deducting the power purchase rate for which PPA has been signed by the utility with a project developer, from a notional amount of Rs. 13 per kWh. In all cases the maximum amount of generation-based incentive shall not exceed Rs. 10 per kWh. In case the project developer has submitted an application to the State Electricity Regulatory Commission or the Utility or to the Ministry, where a lower power purchase price or sale price of power from the proposed grid interactive solar thermal power plant has been sought, in that case the generation based incentive will be determined with that amount as the base and a lower rate of incentive will be approved by the Ministry. The project developers will be required to submit documentary proof and give an undertaking about correctness of this information.
- 4.4 Any project that is commissioned after 31st December, 2009 would be eligible for a maximum incentive with a 5% reduction and ceiling of Rs. 9.50 per kWh.
- 4.5 The generation-based incentive will continue to decrease, as and when the utility sign a PPA for power purchase at a higher rate. The proposed annual escalations agreed with the utility, as in force, should be reflected in the PPA.
- 4.6 The generation based incentive approved for a grid interactive solar thermal power generation project may be available for a maximum period of ten years from the date of approval and regular power generation from that project, provided the utility continues to purchase power from that grid interactive solar thermal power plant.

- 4.7 The Ministry may, at any given time, even before 31st March, 2010, announce a new generation based incentive and guidelines, which will be applicable to all such proposals / projects that have not been approved by that time.
- 4.8 The incentive will be released by IREDA to the eligible solar thermal power project developer on quarterly basis, on receipt of certified information about the net electricity fed to the grid from the solar thermal power project during the period of claim. The concerned utility will provide such information to the project developer on periodic basis. The solar thermal power project developers will be required to produce a certificate from the concerned utility about the solar thermal power purchase rate granted by the utility for eligible projects, each time they seek funds from IREDA towards generation-based incentive.

5.0 Technical Performance Optimization

- 5.1 With a view to encourage technology development and reduction in the cost of the solar thermal power plant projects, the solar thermal power project developers are expected to utilize the state of the art technology to set up the plants. They are expected to use higher power output solar thermal collectors, which are available for the specific technology used in setting up the power plant.
- 5.2 Qualification of solar thermal collectors and other components, to be used in grid interactive power plants, is recommended as per BIS or International standards, wherever available. The interested project developer will provide copies of such certificates to Ministry and IREDA either at the time of application or latest at the time of the first progress report. The project developer will also give an undertaking in the application to use such collectors/ components for which copies of the certification have been submitted.
- 5.3 The electronics, cables, controls, structures etc. must qualify to latest BIS or international standards which are acceptable to utilities and which fulfill all safety norms for grid power projects. The solar thermal power project developers will provide a copy of the test certificate(s)/ report(s), if required.
- 5.4 The solar thermal power project developers are required to optimize generation in electricity in terms of kWh generated per MW of solar thermal capacity installed vis-à-vis available solar radiation at the site (may be obtained through optimized parameters for the power cycle, sizing of thermal storage, and cleaning of the mirrors and receivers at an appropriate periodicity, etc.)
- 5.5 The grid interactive solar thermal plant may be connected to preferably 33 KV grid line to minimize power transfer losses. However, the choice of grid voltage may be determined in consultation with the concerned state utility.
- 5.6 Solar thermal power project developers will be required to maintain collection of technical information on daily solar radiation availability, hours of sunshine, duration of plant operation and the quantum of power fed to the grid. The project developer will install suitable instruments, meters and data loggers for this purpose. This information will be provided at the time of seeking reimbursement from IREDA. This will help in estimation of power generation in kWh per MW capacity installed at the site.

6.0 Monitoring

- 6.1 The solar thermal power project developers will install suitable instruments and make adequate arrangements to monitor the performance and ensure satisfactory operation of the grid interactive solar thermal power plants.
- 6.2 IREDA will make suitable arrangements to monitor the progress and performance of the grid interactive solar thermal power generation projects.
- 6.3 The concerned state nodal agency may also visit the project site and provide their feedback and recommendation to IREDA.
- 6.4 All solar thermal power plant projects will be open to inspection by the officials from Ministry, IREDA, concerned state nodal agency and any independent organization appointed by the Ministry/IREDA for performance monitoring.
- 6.5 The Ministry may also undertake field evaluation studies for any of the grid interactive solar thermal plants through professional and independent organizations.

7.0 Progress Report

- 7.1 The project developers of all approved projects will be required to submit annual progress report about the project and the annual report of the company, which has set up and own the grid interactive solar thermal power plant.

Financial Incentives to Supportive Agencies and Release of Funds

The Demonstration Programme will be implemented as per the guidelines and norms given in **Annexure-I**, additional guidelines for incentive to other agencies and release of funds to IREDA are given below and in the other **Annexures-III & VI**.

1.0 Financial Incentives to Utilities and State Nodal Agencies

- 1.1 The utilities that purchase solar thermal power from an approved project would be eligible for a promotional incentive of Rs. 0.10 per kWh. This incentive will be paid to the utility, only after the documentary evidence of the utility having paid the developer the price of the power that has been fed in to the grid has been submitted to IREDA. This incentive will be paid through IREDA for a maximum period up to ten years, if the utility continues to purchase power from that project and timely payments are made by the utility to the project developer.
- 1.2 The concerned state nodal agency will also received one time promotional incentive of Rs. 2 lakhs per MW capacity of project(s) approved and installed in that states, subject to a maximum of Rs. 20 lakhs per state.

2.0 Incentive to IREDA and release of Funds

- 2.1 A maximum of 1% of the total funds released in a year by IREDA to grid interactive solar thermal power project developers as generation based incentive, will be paid by the Ministry to IREDA towards administrative charges for implementation of the demonstration programme.
- 2.2 During the implementation of the demonstration programme, the Ministry will provide funds to IREDA for the organization of business meets, meeting of experts/committees, awareness programmes and other related activities not specified separately, as considered necessary for promotion of grid solar thermal power generation in the country. IREDA will make specific requests for seeking funds on annual basis.
- 2.3 At any given time, the Ministry may announce a new generation based incentive for all such projects that have not been approved at that time.
- 2.4 The Ministry will provide funds to IREDA for release of generation-based incentive to the eligible solar thermal power project developers as per guidelines and the details provided in **Annexure-I – Annexure-VII**.
- 2.5 50% of the estimated generation based incentive for the first year for a project approved by the Ministry will be released to IREDA as the first installment in advance.
- 2.6 The remaining 50% of generation based incentive, promotional incentive for utilities, one time incentive for state nodal agencies and the administrative charges for IREDA will be released to IREDA after disbursement of funds for the first quarter of the projects approved by IREDA and receipt of the first quarterly progress report in the format given in **Annexure-III**. At that time

among other documents IREDA will furnish a summary of that project for which the balance of first year's requirement of funds as generation based incentive is required.

- 2.7 IREDA will seek funds every year for the release of generation-based incentive for a project in subsequent years, for the full year, on the basis of actual generation from the plant in the first three quarters of the first year. For release of funds in advance IREDA will be required to submit progress report and a certificate to the effect that 50% of the funds for the project for the first three quarters of the power generation have been disbursed.
- 2.8 IREDA will release funds to solar thermal power project developers and utilities on quarterly basis on receipt of certified information on firm figures for net power fed to the grid from each approved solar thermal power project, as agreed with the solar thermal power project developers. IREDA will verify this information, in a manner considered appropriate by IREDA. IREDA will claim administrative charges on quarterly basis and furnish separate details for that amount to the Ministry. Any interest earned on unspent balance will become a part of the funds available with IREDA.
- 2.9 IREDA will furnish an annual report on generation of electricity from each plant, the tariff given by the state / central utility to the project developer as per format given in **Annexure-IV**.
- 2.10 IREDA will submit in duplicate audited statement of expenditure and utilization certificate for the funds released to IREDA as per **Annexure - V** and **Annexure-VI**.
- 2.11 During the last year of the release of generation based incentive for a project IREDA will submit a detailed project completion report as per **Annexure-VII**. Utilization certificate and consolidated audited statement of expenditure for settlement of accounts.

3.0 Progress Report

- 3.1 IREDA will submit quarterly progress reports for each approved project and on completion of the specific project, a final project completion report to the Ministry as per the **Annexure-III** and **Annexure-VII**.

FORMAT FOR THE QUARTERLY PROGRESS REPORT (QPR)

1. Name of the State:
2. Name of the Project:
3. Project Location
4. Name of utility
5. Approved solar thermal Capacity for which funds are disbursed
6. Present status of the plant and performance data
7. Date of project commissioning
8. Duration for which power is fed to the grid (Quarter No/Year) to
9. Power purchase rate given by the Utility
10. Eligible generation based incentive rate
11. Total number of units actually fed to the grid in the quarter
12. Expenditure Incurred by IREDA on release of generation based incentive
 - Project Developer
 - Utility
13. Administrative charges eligible & claimed by IREDA
14. Incentive eligible & released to state nodal agency
15. Other promotional activities performed
16. Funds required from the Ministry (Please enclose details on separate sheet)

Certified that

- (i) The above mentioned grid interactive solar thermal power project has been functioning successfully and the distribution of funds for generation based incentive is in accordance with the guidelines of the MNRE demonstration programme for period to during FY
- (ii) Complete technical, performance, generation and other details for the project are available with IREDA

Date

Place

Signature
(Name & Designation of the Authorized
Officer)
Date & Office Seal

FORMAT FOR THE ANNUAL PROGRESS REPORT

1. Name of the State:
2. Name of the Project:
3. Project Location
4. Name of utility
5. Approved solar thermal Capacity for which funds are disbursed
6. Present status of the plant and performance data
7. Date of project commissioning
8. Duration for which power is fed to the grid (Quarter No/Year) to
9. Power purchase rate given by the Utility
10. Eligible generation based incentive rate
11. Total number of units actually fed to the grid in the quarter
12. Expenditure Incurred by IREDA on release of generation based incentive
 - Project Developer
 - Utility
13. Administrative charges eligible & claimed by IREDA
14. Incentive eligible & released to state nodal agency
15. Other promotional activities performed
16. Funds required from the Ministry (Please enclose details on separate sheet)

Certified that

- (i) The above mentioned grid interactive solar thermal power project has been functioning successfully and the distribution of funds for generation based incentive is in accordance with the guidelines of the MNRE demonstration programme for FY
- (ii) Complete technical, performance, generation and other details for the project are available with IREDA
- (iii) Audited SOE and UC have been submitted (copy enclosed) to the Ministry.

Date
Place

Signature
(Name & Designation of the Authorized
Officer)
Date & Office Seal

ANNEXURE – V

(To be submitted on the Letter Head)

FORMAT FOR SUBMITTING AUDITED STATEMENT OF ACCOUNTS

Separate certificate for each project may be given

| | |
|-------------------------------------------------------------|--|
| Name of the State | |
| Name of the Project Developer | |
| Project Approval Details | |
| Total installed capacity (MW) | |
| Funds released by MNRE (sanction order & date wise details) | |
| | |

| S. No. | Annual Generation of Electricity | Tariff rate given by the utility | Eligible generation based incentive rate | Annual generation based incentive disbursed to project developer | Annual generation based incentive disbursed to utilities | Actual Total Annual Expenditure Incurred on generation based incentive |
|--------------|----------------------------------|----------------------------------|------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------------|
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| 7. | | | | | | |
| 8. | | | | | | |
| 9. | | | | | | |
| 10. | | | | | | |
| Total | | | | | | |

| | |
|-----------------------------------------------------------------------------|--|
| Expenditure incurred on release of generation based incentive, as above (a) | |
| Administrative charges for IREDA @ 1% (b) | |
| Total eligible generation based incentive from MNRE (a +b) | |
| Funds released to state agencies (agency wise) (c) | |
| Funds released by MNRE and available with IREDA (d) | |
| Interest Accrued on funds released by MNRE (e) | |
| Balance to be released by MNRE (a+b+c-d-e) | |

The above information is based on audited annual accounts and verifications carried out by IREDA and the auditors.

Place: Signature
Date: (Name & Designation) and Seal
of IREDA

Signature
(Name & Designation) and Seal
of Auditor

ANNEXURE - VI

FORMAT FOR SUBMITTING UTILISATION CERTIFICATE

(To be submitted in duplicate on the letterhead)

| S. No. | Letter No. & Date | Amount |
|--------|-------------------|--------------|
| | | (Sanctioned) |
| | | (Released) |
| TOTAL | | ----- |

Certified that out of Rs..... of grants-in-aid released during the year ---- in favour of -----under this Ministry Letter No. given in the margin and Rs.----- on account of unspent balance of the previous year, a sum of Rs.----- has been utilized for the purpose of ----- for which it was sanctioned and that the balance of Rs.----- remaining unutilized at the end of the year has been surrendered to Government (vide No. ----- dated) / will be adjusted during ----- towards the grants-in-aid payable during the next year -----.

2. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled / are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised

- 1.
- 2.
- 3.
- 4.
- 5.

Signature -----
Designation -----
Date -----
Official seal

Consolidated Statement of Expenditure

(To be sent in duplicate to the Ministry of New and Renewable Energy
for the financial year (from _____ to _____)

1. Title of the Project/Demonstration programme :
2. Name of the organization:
3. Ministry of New and Renewable Energy letter
No. and date of sanctioning the project :
4. Amount brought forward from the previous financial year :
quoting Ministry of New and Renewable Energy
letter No. and date on which the authority to carry forward
the said amount was given :
5. Amount released by Ministry of New and Renewable Energy
during the financial year :
(please give letter No. & date of sanctions showing the amount paid)
6. Interest accrued on funds available
7. Total amount (Sr. No. 4+5+6):
8. Actual expenditure incurred during the financial year :
9. Balance amount available at the end of the financial year :
10. Unspent balance refunded, if any.
(Please give details of cheque no. etc.)
11. Amount allowed to be carried forward to the next
financial year vide letter no. and date :

Certified that the expenditure of Rs. _____ (Rupees _____
mentioned against Column 7 was actually incurred on the Project / Demonstration
programme for the purpose for which it was sanctioned and balance amount of Rs.
_____ is available on _____ or refunded on

**(Signature & Seal of
Head Finance, IREDA)**

**(Signature of Head
of the organization)**

**(Signature & Seal of
Auditor)**

ACCEPTED AND COUNTERSIGNED

**COMPETENT AUTHORITY
MINISTRY OF NEW AND RENEWABLE ENERGY**

PROJECT COMPLETION REPORT BY IREDA

1. Name of the State:
2. Name of the Project:
3. Project Location
4. Name of utility
5. Approved solar thermal capacity for which funds are disbursed
6. Present status of the plant and performance data
7. Date of project commissioning
8. Duration for which power is fed to the grid
9. Tariff rate(s) given by the Utility (Quarter No/Year)
10. Eligible generation based incentive rate (Quarter No/Year)
11. Total number of units actually fed to the grid (Quarter No/Year)
12. Expenditure Incurred by IREDA on generation based incentive (as per SoE)
13. Funds released so far & balance requested from Ministry (Please provide details)

Certified that

- (i) The distribution of funds for generation-based incentive for the above mentioned grid interactive solar thermal power project has been successfully completed in accordance with the guidelines of the MNRE demonstration programme for FY
- (ii) Complete technical, performance, generation and other details for the project are available with IREDA
- (iii) Financial year-wise Audited SOE and UC have been submitted (copies enclosed) to the Ministry.

Place

Signature
(Name & Designation of the Authorized
Officer)
Date & Office Seal

No.8/1/2007-08-ST
Ministry of New and Renewable Energy
Solar Thermal Group

Subject: Demonstration Programme on Grid Interactive Solar Thermal Power Generation

Administration II is requested to make 200 copies of the Administrative Approval for Demonstration Programme on Grid Interactive Solar Thermal Power Generation. A hardcopy of the AA is placed below.

(R.P. Goswami)
Scientist 'D'
10/04/08

Director(ST)

No. 1/3/2008-09/ST
Government of India
Ministry of New and Renewable Energy

Block No. 14, C.G.O. Complex,
Lodi Road, New Delhi -110 003

Dated: 28/08/2008

Chief Secretaries of the State Governments / Union Territories
Chief Executive Officers/ Directors of All State Nodal Agencies
CMD/Chief Executives/Heads of All Utilities

Subject: Sanction of continuation of the "Demonstration Programme on Grid Interactive Solar Thermal Power Generation for the year 2008-09".

Sir,

Sanction of the President is hereby conveyed for continuation of the "Demonstration Programme on Grid Interactive Solar Thermal Power Generation for the year 2008-09."

2. The above scheme will be implemented during 2008-09 as per same funding norms / guidelines and other provisions applicable during 2007-08 as announced vide sanction no.8/1/2007-08/ST dated 31/03/2008 till 31st March, 2010 and until such time the same is superseded by fresh / new programme / scheme.

3. Release of generation based incentive / CFA / financial support on the basis of provisions of programme / scheme / sanction 2007-08 will continue to be governed by the set provisions even after the same are superseded by fresh / new programme / scheme.

4. All the SNAs and project developers are requested to take up scheme for implementation as per the guidelines of 8/1/2007-08/ST dated 31/03/2008.

5. Necessary funds for implementation of the Demonstration Programme during 2008-09 will be drawn from Demand No.67, Ministry of New and Renewable Energy, Major Head '2810' Ministry of New and Renewable Energy, Sub-major Head 02.101 Solar Thermal Energy Programme, Sub Head 04-Solar Thermal Power Generation, Detailed Head 04.01 Research and Development, Demonstration & Technology Utilization, 04.01.31 Grants-in-Aid 2008-2009 (Plan).

6. This sanction issues under the power delegated to Ministry of New and Renewable Energy and with approval of the Minister (NRE) and with the concurrence of IFD vide their diary no.IFD/SAN/109/333/2008-09 dated 27/08/2008.

Yours faithfully,

(R.P. Goswami)
Director / Scientist 'E' (ST)

Copy to:-

1. **Principal Director of Audit (Scientific Departments), AGCR Bldg., I.P. Estate, New Delhi – 110 002**
2. **SS&FA/All Advisers/ JS (P&C and Admn)**
3. **Chairman & Managing Director, Indian Renewable Energy Development Agency, India Habitat Centre, Lodi Road, New Delhi-110 003.**
4. **Director (ST)/Dir (F)/PSO (ST) / SO (SE)/AO (F)**
5. **PS to Minister (NRE)**
6. **Sr. PPS to Secretary, MNRE**
7. **Sanction Folder**

(R.P. Goswami)
Director / Scientist 'E' (ST)