



FORMULATION OF INCENTIVE SCHEMES FOR SOLAR POWER PROJECTS FOR GENERATION OF SOLAR ENERGY

The Ministry of New and Renewable Energy has announced a demonstration programme to support mega watt size grid interactive solar power generation projects, up to a maximum capacity of 50 MW, in the country. Any registered company, as project developer, would be eligible to set up solar power projects on build, own and operate basis. Proposal from each project developer with a maximum aggregate capacity of 5 MW, either through a single project or multiple projects of a minimum capacity of 1 MW each, would be considered.

A maximum of 10 MW capacity solar power generation projects would be considered in a State. Preference would be given to the projects from the States where the State Electricity Regulatory Commissions (SERCs) have announced or are in the process of announcing tariff for solar power.

For the projects approved and commissioned by 31st December, 2009, the Ministry will provide generation based incentive up to Rs.12 per kWh for solar photovoltaic power and Rs.10 per kWh for solar thermal power fed to the grid by the solar power project developers, after taking in to account the tariff provided by the SERC or the utility. The Ministry will also provide incentive to the concerned utility and the State Nodal Agency, which will be involved in implementation and monitoring of the projects in that State.