

AS INTRODUCED IN THE RAJYA SABHA
ON THE 27TH APRIL, 2012

Bill No. III of 2012

THE SOLAR POWER (DEVELOPMENT, PROMOTION AND
MANDATORY USE) BILL, 2012

A

BILL

*to provide for the development of solar power generation and mandatory use
of solar power in the Government and Semi-Government buildings,
corporate and business establishments in the Country with a view
to saving conventional energy and protecting the environment
and for matters connected therewith.*

BE it enacted by Parliament in the Sixty-third Year of the Republic of India as
follows:—

1. (1) This Act may be called the Solar Power (Development, Promotion and
Mandatory Use) Act, 2012.

Short title, extent,
commencement
and applications.

5 (2) It extends to the whole of India except the State of Jammu and Kashmir,
and applies also to all citizens of India domiciled in the territories to which this Act
extends who are outsider in the said territories.

(3) It shall come into force on such date, as the Central Government may, by notification in the Official Gazette, appoint.

(4) It shall be applicable to all Government and Semi-Government buildings and also to corporate and industrial houses, plants, and factories.

Definition.	<p>2. In this Act, unless the context otherwise requires,—</p> <p>(a) ‘appropriate Government’ means, in the case of State, the Government of that State, and in other cases, the Central Government.</p> <p>(b) “Authority”, means the National Solar Power Development Authority of India, established under section 4 of this Act;</p> <p>(c) ‘buildings’ include all such structures, sheds, houses and buildings notified under the rules framed by the appropriate Government under this Act;</p> <p>(d) “prescribed” means prescribed by rules made under this act;</p> <p>(e) “solar photovoltaic modules, panels and solar thermal collectors” mean flat or concentrating devices which collect, convert or store solar energy for use in the form of heat or electricity.</p>	5
Obligation for the owners, lessees, tenants, builders and promoters of buildings.	<p>3. (1) It shall be obligatory for the owners, lessees, tenants, builders and promoters of every building, to install solar photovoltaic modules and panels, on the top of buildings and/or in the land forming part of the property, for generating electricity in order to meet a part of its total electricity requirement in such manner as may be prescribed.</p> <p>(2) It shall be obligatory for the owners, lessees, tenants, builders and promoters of every such building to install solar assisted water heating systems where there is a requirement of hot water.</p> <p>(3) It shall be obligatory for the owners, lessees, tenants, builders and promoters of every new building, that requires mass cooking on regular basis, to maintain a solar-powered kitchen and other cooking facilities.</p>	20
Establishment of a National Solar Power Development Authority of India.	<p>4. (1) For the purposes of this Act, the Central Government shall, by notification in the Official Gazette, establish an Authority, to be known as the National Solar Power Development Authority of India, with its headquarters at New Delhi.</p> <p>(2) The Authority may have such number of regional offices in any region or parts or in the States as may be required.</p>	30
Constitution of the Authority.	<p>5. (1) The Authority shall be headed by a Chairperson and five other members to be appointed by the Central Government in such manner as may be prescribed.</p> <p>(2) The terms and conditions of the service of the Chairperson and the members shall be such as may be prescribed.</p> <p>(3) The Authority shall have a Secretariat with such set up as may be prescribed.</p> <p>(4) The Authority shall meet at such time and such places, and shall observe such procedure in regard to the transaction of business at its meetings as may be prescribed.</p>	35
Functions of the Authority.	<p>6. The Authority shall take such actions as may be necessary for the implementation of this Act including, <i>inter alia</i>, the following:—</p> <p>(a) specify the categories and size of the buildings to be covered by the Act;</p>	40

(b) amendments to the building bye-laws so as to make it obligatory for the owners, contractors, builders and promoters of all new buildings to install solar thermal collectors and photovoltaic modules as specified in this Act;

5 (c) specify the percentage of the total electricity requirements of a building to be met through solar energy;

(d) specify the circumstances and technical grounds under which exemptions may be granted from the provisions of this Act;

(e) **make provisions for subsidies and other incentives for the installation of solar energy systems in new buildings as well as existing buildings; and**

10 (f) specify appropriate concessions like subsidies, exemption from various taxes, etc. for the solar energy equipment, in order to popularize and promote awareness among the people about the availability of solar thermal and photovoltaic products and the benefit arising from their use.

15 **7. The Central Government shall, after due appropriation made by law by Parliament, provide requisite funds for the purposes of this Act, from time to time.**

Central Government to provide funds.

8. Whoever contravenes the provisions of this Act, shall be liable to imprisonment which may extend to two years and fine of up to fifty thousand rupees.

Penalty.

9. The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force.

Saving.

20 **10.** The Central Government and the appropriate Government as the case may be, may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.

Power to make rules.

STATEMENT OF OBJECTS AND REASONS

The Sun is the source of all energy. But for the Sun, life will not exist on the Earth. Naturally, from ancient times, the people worshipped the Sun as God. Needless to say, life will be impossible for the living organisms on this planet, without the energy from the Sun.

Today, for our energy requirements, we are using Coal, Oil and Natural Gas, Hydro-Energy and Nuclear Energy. Production of Hydro-electric power requires big dams, with an even bigger catchment area that causes environmental and collateral damage. Our coal reserves are expected to be not more than 100 billion tonnes. If, we continue to use coal the way we use it today, the entire coal reserves would be depleted in less than 100 years. The same is the case with Oil and Natural Gas resources, which are likely to be exhausted in a few decades.

After the Fukushima Nuclear Disaster in Japan in 2011, exploiting the potential of Nuclear Energy also deserves re-consideration. In any case, because of the huge investments and necessity of importing fissionable materials, we can't go in for the Nuclear Energy in a big way. In the case of the Nuclear Energy, even a minor nuclear disaster is unthinkable. Moreover, disposal of the nuclear waste is a real problem being faced even by the developed countries. The environmental hazards in all the aforesaid categories of energy sources are alarming. Whether it is Coal, Oil or Natural Gas, their exploitation will pollute the atmosphere, due to the generation of huge quantities of Carbon Dioxide, which will cause damage to the protective Ozone layer and will further contribute to climate change and global warming.

Considering all the above aspects, one comes to the natural conclusion that the safest and the best option is to change over to the most clean energy source *i.e.*, the Solar Energy. It is clear that the only long-term solution to our power requirements is harnessing the Solar Energy, which is in abundance in our country. India lies in the sunniest region in the world with most part of the country receiving sunlight everyday, the State of Rajasthan being the highest recipient of annual solar radiation. Thus, it is imperative that the Government must give top most priority for augmenting the generation of Solar Energy in the cheapest possible manner.

There is a huge potential for solar energy applications in grid-interactive solar power generation plants, solar thermal industrial applications, rural electrification, roof top-based applications and mobile towers in off-grid areas, and also for domestic lighting, cooking and water heating. Although the cost of initial installation is a little high, there is negligible recurring expenditure involved in maintaining the solar thermal modules and photovoltaic panels. More importantly, there are also no problems of power-theft and long periods of load-shedding.

Keeping in view the rapid industrialization and urbanization of the country and the ever-increasing demand for domestic as well as industrial power, it is essential to make it mandatory for installation of solar power generators in all the Government and Semi-Government buildings and also in the Corporate and Industrial establishments across the country, with such terms and conditions as are necessary to substantially enhance production of Solar Power, with appropriate concessions like subsidies, exemption from various taxes, etc. for the Solar Power equipment, in order to encourage more and more people to voluntarily opt for this clean energy source.

Hence, this bill.

P.J. KURIEN

FINANCIAL MEMORANDUM

Clause 4 of the Bill provides that Central Government shall establish the National Solar Power Development Authority of India for development and promotion of the use of the solar energy. Clause 6 of the Bill makes provision of subsidy and other incentives for installation of solar energy systems in new buildings as well as existing buildings. Clause 7 makes provisions for the Central Govt. to provide due requisite funds for carrying out the purposes of this Bill.

The Bill, therefore, if enacted will involve expenditure from the Consolidated Fund of India. The recurring and non-recurring expenditure on this count cannot be estimated at this stage, but has to be worked out by the Central Government while implementing the provisions of the Act.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 10 of the Bill empowers the Central Government to make appropriate rules for carrying out the provisions of the Bill. The rules will relate to matters of details only.

The delegation of legislative power is of normal character.

RAJYA SABHA

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to provide for the development of solar power generation and mandatory use of solar power in the Government and Semi-Government buildings, corporate and business establishments in the country with a view to saving conventional energy and protecting the environment and for matters connected therewith.

(Prof. P.J. Kurien, M.P.)