

GOVERNMENT OF INDIA  
MINISTRY OF NEW AND RENEWABLE ENERGY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1413**  
ANSWERED ON 01/08/2023

**ESTABLISHMENT OF LOCAL POWER GRIDS**

1413. DR. ANBUMANI RAMADOSS

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether Government has any policy proposal to introduce a scheme to provide financial assistance to village panchayats who can produce 1 mega watt capacity of renewable energy to incentivise & localise power generation;
- (b) if so, the details thereof;
- (c) whether Government has received any request from State Government of Tamil Nadu for financial assistance for establishment of local Power Grids; and
- (d) if so, the details thereof?

**ANSWER**

**THE MINISTER OF NEW & RENEWABLE ENERGY AND POWER**

**(SHRI R.K. SINGH)**

(a) & (b) Presently, Ministry of New and Renewable Energy (MNRE) do not have any plan/scheme to provide financial assistance to village panchayats for installation of 1 Mega Watt (MW) capacity of renewable energy plant. However, under PM-KUSUM Scheme, farmers can install solar power plant upto 2 MW capacity and sell generated solar power to local electricity distribution utility at a tariff determined by respective state electricity regulatory commission or discovered through bidding process.

(c) & (d) Under Green Energy Corridor Phase-II, a project for setting up of 624 ckm of transmission lines and 2200 MVA capacity substations by FY 2025-26, for evacuation of renewable energy power of approx. 4000 MW capacity in the State of Tamil Nadu, has been approved by MNRE at an estimated cost of Rs. 719.76 crore with central government grant of Rs. 237.52 crore @33% of the project cost. The project is under process of implementation by the state agency Tamil Nadu Transmission Corporation Limited (TANTRANSCO).

Under Green Energy Corridor Phase-I, TANTRANSCO reported completion of sanctioned project for setting up of 1068 ckm transmission lines and 1910 MVA capacity substations on 31.10.2022 for which MNRE has already released Rs.524.30 crore grant to TANTRANSCO.

\*\*\*\*\*