

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA

UNSTARRED QUESTION NO-6382
TO BE ANSWERED ON-05.04.2018

WAIVING OF INTER-STATE TRANSMISSION CHARGES

6382. SHRI PRABHAKAR REDDY KOTHA
SHRIMATI VASANTHI M.
SHRI Y. S. AVINASH REDDY

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

(a) whether the Government has taken any decision to waive inter-State transmission charges on solar power projects to make them feasible and to enable them to compete with the thermal power; and

(b) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER (I/C)
(SHRI R.K. SINGH)

(a) and (b) On 13 February 2018, the Ministry of Power has issued an Order notifying that for generation projects based on solar and wind resources, no inter-state transmission charges and losses will be levied for transmission of the electricity through the inter-state transmission system for sale of power by such projects commissioned till 31st March 2022. A copy of the Order is enclosed as Annexure.

**Annexure referred to in reply to the Lok Sabha Unstarred question no. 6382
for reply on 05/04/2018**

No. 23/12/2016-R&R
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, 13th February, 2018

ORDER

Subject: Waiver of inter-state transmission charges and losses on transmission of the electricity generated from solar and wind sources of energy under para 6.4(6) of the revised Tariff Policy, 2016.

- 1.0 Para 6.4(6) of the revised Tariff Policy 2016 notified on 28.01.2016 provides that -
"In order to further encourage renewable sources of energy, no inter-State transmission charges and losses may be levied till such period as may be notified by the Central Government on transmission of the electricity generated from solar and wind sources of energy through the inter-state transmission system for sale."
- 2.0 In view of the above provisions of Tariff Policy 2016, the Ministry of Power had earlier issued Order on 30th September, 2016 which was subsequently modified vide Order dated 14th June, 2017.
- 3.0 The waiver of inter-state transmission charges and losses on transmission of the electricity generated from solar and wind sources of energy was available for solar projects commissioned upto 31.12.2019 and for wind projects commissioned upto 31.03.2019. The waiver was available for a period of 25 years from the date of commissioning of such projects and was available only for the projects entering into Power Purchase Agreements (PPAs) for sale of electricity to the Distribution Companies for compliance of their renewable purchase obligation. Such waiver was available only to those solar and wind projects that are awarded through competitive bidding process.
- 4.0 In supersession of Ministry of Power's earlier order No 23/12/2016-R&R dated 30th September, 2016 and Order No 23/12/2016-R&R dated 14th June, 2017, it is hereby notified that -
 - i. For generation projects based on solar and wind resources, no interstate transmission charges and losses will be levied on transmission of the electricity through the inter-state transmission system for sale of power by such projects commissioned till 31st March 2022.

Provided that the above waiver will be available for a period of 25 years from the date of commissioning of such projects

Provided further that the above waiver will be available for solar and wind projects entering into PPAs with all entities, including Distribution Companies,

for sale of power from solar and wind power projects for compliance of their renewable purchase obligation.

Provided further that the above waiver will be allowed only to those solar and wind projects that are awarded through competitive bidding process in accordance with the guidelines issued by Central Government.

- 5.0 This Order, irrespective of the purchasing entity, shall be applied prospectively i.e. from the date of issue of Order.
- 6.0 This issues with the approval of Minister of State (I/C) for Power and NRE.


(Ghanshyam Prasad)
Chief Engineer (RR & OM)
Tel: 2371 0389

To,

1. Principal Secretary/Secretary (Power/Energy), State Governments/UTs
2. Secretary, State Electricity Regulatory Commissions/ Joint Electricity Regulatory Commissions

Copy to:

1. Secretary, MNRE, CGO Complex, New Delhi
2. Chairperson, CEA, Sewa Bhawan, RK Puram, New Delhi
3. Secretary, CERC/FOR, Chandralok Building, Janpath, New Delhi

Copy also for information to:

1. All Joint Secretaries, Ministry of Power
2. PS to MOS (I/C) for Power and NRE
3. PPS to Secy.(P), PPS to AS(SP), PPS to CE(RR)