



Policy Advisory for promotion of Rooftop Solar Photovoltaic Power Projects

Highlights

- GIZ's policy advisory in solar photovoltaic sector is benefitting policy makers at both central and state level such as Ministry of New and Renewable Energy (MNRE), Government of India, Union Government of the States, State Nodal Agencies of Uttar Pradesh, Chhattisgarh and Chandigarh, Distribution Companies of Union State of Madhya Pradesh and Forum of Regulators.
- MNRE & GIZ/ComSolar are supporting 3 States and 1 Union Territory for preparation of suitable implementation framework for deployment of rooftop solar photovoltaic power generation projects, creating an investment opportunity of € 9 Mio in the sector
- GIZ also supported Forum of Regulators (FOR) in preparing Model Net Energy Metering Regulations to be adopted by the State Electricity Regulatory Commission

Context

Till 2012, the focus of the Indian regulators and policy makers was to bring the upfront investment cost in solar power projects, to a reasonable level so as to enable large scale adoption of solar power thereby focusing on implementing large scale capacities. A slew of measures to this effect including allotment of solar project capacities through tariff based competitive bidding; review and approval of the annual revenue requirement for solar projects by the Regulators, provision of separate solar purchase obligation in the National Tariff Policy etc. provided the required impetus for the development of solar energy segment in the country. Over these years, various incentives, by the Central and State Governments, were also announced to encourage investment in the sector. These measures supported in bringing the capital cost to admissible values & also ensured that the solar tariff starts reaching a level of parity with consumer tariff in various States.

Various State Governments' have now progressed in announcing schemes for deploying rooftop solar photovoltaic facilities. The underlying benefits of solar rooftop projects, including avoidance of land, simplified siting, permitting and environmental requirements clearances, load centric location, avoiding transmission and distribution losses and the need to develop new transmission infrastructure, have evinced keen interest from the renewable energy departments of States to aggressively pursue solar rooftop deployment schemes.

Suitable incentives announced by the Governments under the policy framework as well as obligation targets specified by the State Electricity Regulatory Commissions have enabled exploring the possibilities of deployment of rooftop solar photovoltaic facilities. Accordingly, the Ministry of New and Renewable Energy & German Agency for International Cooperation (GIZ)/ComSolar have jointly taken the responsibility to explore various feasible and replicable mechanisms for encouraging the deployment of grid connected rooftop solar photovoltaic facilities in /urban areas and the design of suitable implementation framework thereof.

Nodal Agencies in different states/UT

Uttar Pradesh

Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA)

Chandigarh

Chandigarh Renewal Energy and Science & Technology Promotion Society (CREST)

Chhattisgarh

Chhattisgarh State Renewable Energy Development Agency (CREDA)

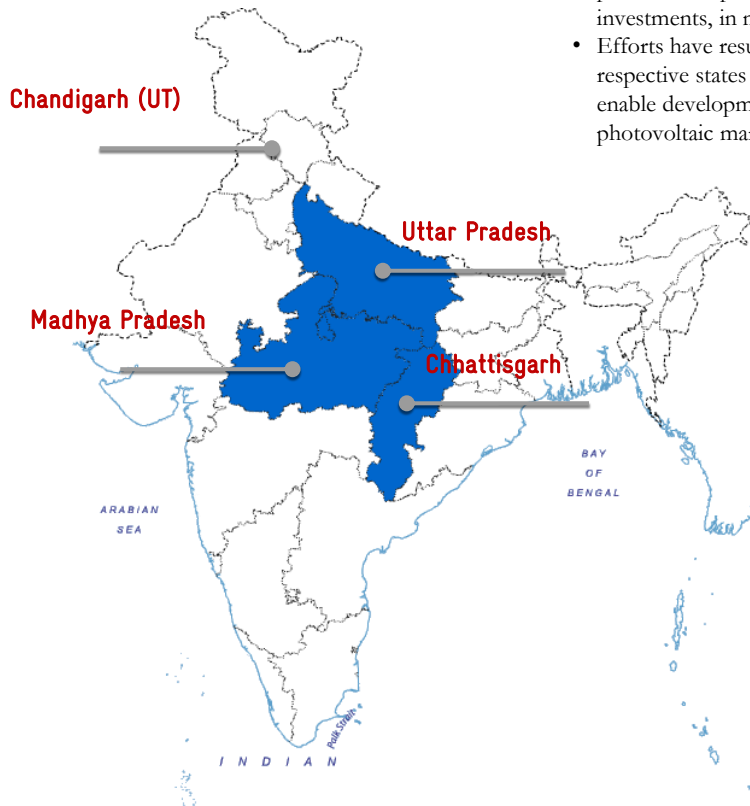
Madhya Pradesh

Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited (MPMKVVCL)

GIZ's work

A study conducted by GIZ & MNRE identified feasible models following the Electricity Act, 2003 for promotion of rooftop solar photovoltaic facilities and their adoption by various stakeholders at Central and State level.

GIZ is also supporting the distribution companies of the State of Madhya Pradesh to deploy rooftop solar photovoltaic power generation facilities in the State. Being the first distribution company in India encouraging rooftop solar photovoltaic power generation facilities, it shall act as lighthouse project and shall enable other distribution companies to adopt such facilities.



Impacts

- The outcomes of the work undertaken by GIZ is supported by India Ministry with a sanction of € 2.6 Mio for implementation of rooftop solar photovoltaic power generation projects to Uttar Pradesh and Madhya Pradesh
- Recommendations to the State of Uttar Pradesh are taking shape in the form of policy design for rooftop solar photovoltaic power generation projects
- Suggestion to the distribution company of Madhya Pradesh shall lead to implementation of rooftop solar photovoltaic power generation projects in Bhopal, Indore and Jabalpur with the support of approximately € 2 Mio from Indian Government. Suitable replication strategy shall also be implemented.
- Efforts of GIZ shall attract additional € 6.5 Mio investment from private sector in rooftop solar photovoltaic power generation segment and similar investments, in multiplication, in near term.
- Efforts have resulted in to capacity development of respective states to prepare appropriate policies to enable development of the rooftop solar photovoltaic market.

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