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Gazette
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12

NOTIFICATION

The Administrator of Dadra and Nagar Haveli is pleased to notify Policy for development and deployment of renewable energy power generation technology as per terms and conditions mentioned herein after:

1. Foreword

- (i) Power is the lifeblood of any growing economy and the availability of reliable and uninterrupted power supply is a crucial determinant for economic growth. However, the economic growth also needs to ensure our commitment to environment. That is why generation and usage of renewable energy has caught utmost attention world over. I would like to thank the Ministry of New and Renewable Energy and Ministry of Power, Govt. of India for setting up targets and providing guidelines for promotion of renewable energy.
- (ii) Union Territory of Dadra and Nagar Haveli is a key hub of industrial activity in the western region of India and today is home to approximately 3000 industrial units. Major power requirement of the territory is met from power allocation from the Central Generating Stations. Electricity Department (Transmission Division) and DNH Power Distribution Corporation Ltd. are fully committed to undertake all

measures for infrastructural upgradation and measures for efficiency improvements at the substation level and the transmission and distribution networks respectively. It is our vision to transform Dadra and Nagar Haveli into a model territory with an efficient power supply framework and best in industry standard efficiency parameters. Equally, we are committed to supplement our generating capacity through renewable energy sources including but not limited to harnessing solar power, wind power etc. I am confident that in the next few years, we shall be able to achieve the key objectives set out for us.

2. Preamble

- i) Energy is fundamental to the quality of our lives. Presently, we are dependent on an abundant and uninterrupted supply of energy for living and working. Depletion of conventional energy resources (Coal, Oil, Natural gas etc.) day by day and emission of greenhouse gases (GHGs) in environment from usage of fossil fuel is complex problem in reduction of global warming.
- ii) Union Territory (U.T.) of Dadra and Nagar Haveli has been in the forefront in industrial development comprising of approximately 95% industrial demand. The U.T. has no generation facility within the territory, and it is drawing power from outside U.T. Promotion of renewable energy resources and technology plays an important role to meet the upcoming energy requirement of U.T. through secure, systematic and environmentally sustainable manner so that dependency on fossil fuels will be reduced in future.
- iii) The U.T. of Dadra and Nagar Haveli is blessed with high solar radiation and average 300 days of clear sun. U.T. administration, through DNHPDCL proposes to encourage Renewable Energy (RE) Generation projects for the social as well as economic development of U.T. and promotion of RE Generation within U.T.
- iv) In view of ambitious targets set by Central Government for solar power generation, a comprehensive policy to promote solar power and other RE technologies is required. For inclusion of all aspects of promotion of RE technologies, government is pleased to introduce the Renewable Energy Policy – 2018 for U.T. of Dadra and Nagar Haveli.

3. Legal and Regulatory Framework

- (i) **Electricity Act 2003:** According to the Electricity Act 2003, Section-9 (2) as amended from time to time, any private individual or Agency is free to set up a Power Generation Plant and they shall have right to open access of the transmission and distribution facility.
- (ii) **Tariff Policy 2016:** According to the National Tariff Policy 2016, Clause 6.4 1(i), an increase in the solar Renewable Purchase Obligation (RPO) up to 8% of the total consumption of energy, excluding Hydro Power, by March 2022 or as notified by the Central Government from time to time.
- (iii) **Joint Electricity Regulatory Commission for the State of Goa and UTs:** The regulatory body for DNHPDCL is Joint Electricity Regulatory Commission (JERC) for the state of Goa and Union Territory. The orders/Regulations passed by the

applied to commission from time to time shall be applicable to the provisions of this policy. Similarly, Acts passed by Government of India in respect of Power Sector shall also be applicable to provisions of this Policy. In case of any discrepancy between the provisions of this Policy and Orders/Regulations issued by the JERC, the orders/Regulations issued by the JERC will take precedence.

(iv) Overall development and operation of solar power generating stations shall abide by standards and regulations of Central Electricity Authority, Ministry of New and Renewable Energy (MNRE) or other competent authority.

4. Objectives

(i) Walking hand in hand with the Government of India (GoI), the RE Policy is designed to achieve the following objectives:

- Promotion of RE Generation within U.T.
- Becoming self-sustainable in meeting RPO by 2022 by RE power generation.
- Encouraging private sector participation by defining roadmap and providing facilitation.
- To create skilled manpower and employment opportunity for U.T.
- To encourage Decentralized Distribution, Generation system within the U.T. for reducing T&D losses
- To encourage development of renewable energy related industries within U.T.

5. Title, Enforcement and Scope

- i) This Policy shall be known as “**Renewable Energy Policy – 2018 for U.T. of Dadra and Nagar Haveli**”. Policy shall be applicable from the date of notification of the policy in the Official Gazette. DNHPDCL shall be the nodal agency for designing, implementing and maintaining the policy and shall execute various responsibilities as per this policy.
- ii) The Policy shall be extended for various types of RE generation including but not limited to Solar PV rooftop / Ground mounted / Floating, Wind Turbine Generator, municipal waste based power generation, wave energy, tidal energy etc.
- iii) Presently, the policy shall be applicable for setting up Solar Power Generation facility within U.T. of Dadra and Nagar Haveli. For setting up other types of RE Generation, application shall be processed on case to case basis. In case of setting up a plant outside U.T. or for setting up plant other than solar PV technology or for procurement of RE power to achieve policy target / RPO, application shall be processed on case to case basis.

6. Operative Period

- (i) This policy shall come into operation with effect from the date of publication in the gazette and shall remain valid, until superseded or modified by another policy. Solar power plants, approved, installed and commissioned during this period shall be eligible for the incentive declared in this policy.

7. Eligible Entities

- (i) For the development of solar power projects under this policy- any individual person, proprietorship company, partnership company, all registered companies, public/private sector solar power project developers, EPC contractors, U.T.'s distribution companies and manufacturing units of equipments and ancillaries related to solar projects will be eligible for setting up RE Power projects, either for the purpose of captive use and/or selling of electricity in accordance with the Electricity Act-2003, Section-9, as amended from time to time. However, the applicant needs to be consumer of DNHPDCL, and shall be referred as prosumer (Producer + Consumer).
- (ii) For grid connected solar projects, only MNRE approved technology shall be considered.

8. Empanelment of EPC Contractor

- i) All projects under the policy shall be executed by EPC contractor empaneled by DNHPDCL. This to ensure better quality of work and trouble free execution as well as post-execution activities between Prosumer and EPC contractor.
- ii) All EPC contractors who intend to work under this policy need to get registered with DNHPDCL. The contractor who executes the project needs to deposit security deposit of 10% of the contract value for the period of 5 years to DNHPDCL. The security deposit shall be refunded to the contractor, provided his performance is found satisfactory

9. Application Procedure

- (i) DNHPDCL shall prepare detailed operating procedure and related formats for implementation of this policy in a manner described hereunder. The RE Project Developer shall visit website <http://www.dnhpdc.in> for online registration and submission of application. The applicant needs to upload all necessary documents online. The application shall be accompanied by non-refundable fees of 1000/KW per connectivity. Hard copy of application receipt along with self-attested copy of the documents and demand draft in favor of **Executive Engineer, DNH Power Distribution Corporation Ltd., Silvassa** shall be submitted within 5 working days of online submission of application. In case application processing fee is paid online, payment receipt needs to be submitted along with the application.
- (ii) DNHPDCL shall scrutinize the application, assess feasibility and issue consent letter for grid connectivity within 15 days of receipt of application and the same shall be available online. In case of any lacuna or inadequate information, the concerned applicant shall be informed.
- (iii) The RE Generator, after receipt of grid connectivity approval needs to carryout financial closure for the plant and shall approach DNHPDCL for signing of Power Purchase Agreement along with following documents.
 - Letter of association / work order / agreement / letter of intent / similar document for carrying out EPC work and operation and maintenance of the plant. The Prosumer shall enter into an agreement with EPC contractor for minimum period of 5 (five) years for warranty including operation and maintenance.

Document for financial closure clearly indicating source of funding.

• Any other document as demanded by DNHPDCL / other concerned authority.

(iv) All the power plant setup under this policy shall enter into PPA with DNHPDCL for sale of power for the period as mentioned in the Policy. Inspection / supervision / maintenance / out checking of the solar power plants shall be carried out by DNHPDCL.

10. Grid Connectivity

- i) Only grid connected Solar PV projects are qualified to setup power plant under this policy. Minimum size of the plant shall be 1 KW per grid connectivity. There is no cap on size of the plant. All rules and regulations laid down by DNHPDCL shall be applicable for qualifying grid connectivity.
 - Up to 10 KW single phase 230 V
 - More than 10 KW and up to 100 KW - 3 phase 400 V
 - Above 100 KW and up to 4 MWp – 11 KV
 - Above 4 MWp – 66 KV
- ii) All open access consumers need to fulfil solar RPO solely by solar power generation within/outside U.T.

11. Technical compliance

- (i) The tolerance allowed in rated capacity of solar power project(s) shall be $\pm 5\%$. The developer shall comply with IEGC, JERC Regulations, CEA Regulations for implementation of solar projects or any such regulations notified by MNRE or other competent authority.

12. Metering

- i) The owner of the solar power project shall install bidirectional meter having facility to record separately import and export measurements. The user needs to provide facility for online monitoring and data acquisition from inverter and meter for real-time data transfer to SLDC and DNHPDCL.
- ii) The Prosumer or Producer of Solar Power shall arrange for themselves a meter to register the Solar Power produced and fed to the Grid for sale to DNHPDCL and shall be billed accordingly, for making payments to the Solar Power Producer / Prosumer. Net metering shall be applicable to Solar Power generators / Prosumers.
 - a. The DNHPDCL shall allow installation of Solar Power Projects in its area of supply on nondiscriminatory and first come - first serve basis and within the time line as provided in this policy. In the interest of average cost of electricity purchase that impacts the Consumer tariffs, the proposals with subsidy (Central + U.T.) will be given higher preference.
 - b. At the end of each billing cycle, the DNHPDCL will take readings of imported and exported energy as shown by the bidirectional service connection meter. The Prosumer will be presented a bill for the difference between imported and exported energy (the net-imported energy). If during a billing cycle exported energy exceeds imported energy, the export surplus will be carried over to the next billing cycle. Settlement Period shall be 1st April to 30th Sept and 1st Oct to 31st March. The same may be altered in case financial year period change by Government of India. A final settlement energy bill shall be prepared by

the DNHPDCL at the end of settlement period. For that settlement at the end of a Settlement Period a maximum of 100% (one hundred percent) of the imported solar energy will be credited against exported energy for the purpose of net-metering.

c. Group Net-Metering facility within same category of consumers is allowed to the Solar Prosumer at the consumer tariff applicable to the Consumer's service connection so that benefit can be shared amongst multiple connections.

d. Excess energy exported to the grid (measured in kWh) can only be utilized to offset the electricity consumption (measured in kWh) and not for adjustment of any other fees or charges levied by the DNHPDCL.

e. The DNHPDCL in addition to energy billing shall be eligible to raise invoices for any other charges as per Tariff Order.

f. Rules, regulations and terms of service applicable to Consumers of the DNHPDCL for the applicable class or category of service connection including but not limited to the consumption tariff, payment terms, contracted load or demand, load surcharge, peak load restrictions and security deposit, shall also be applicable to an electrical service connection with a Prosumer Solar Power project.

g. If, during a billing cycle a Prosumer imports power from the DNHPDCL in excess of Monthly Minimum Charges (MMC), MMC shall not be applicable for that period.

h. A Prosumer or a producer of Solar Power shall be exempted from charges in respect of electricity banking, wheeling, line losses and cross subsidy to the extent of Energy produced.

i. In case of any contingency / emergency / unavoidable circumstances, DNHPDCL shall have rights to select the prosumer to disconnect installation from the grid and disallow any injection.

13. Target of Policy

i) U.T. Administration of Dadra and Nagar Haveli sets ambitious target to achieve 500 MW solar power generation by March 2022. Yearly targets are as follows,

- FY 2018-19: 110 MW
- FY 2019-20: 120 MW
- FY 2020-21: 130 MW
- FY 2021-22: 140 MW

ii) Application shall be accepted round the year till fulfilment of the target capacity including backlog if any. The applications shall be accepted in first cum first served basis. In case the candidate fails to execute the project in timely manner two times, the same shall be black listed for submitting further application.

iii) All government buildings shall be covered with rooftop solar power plants within one year from the notification of the policy. Nodal agency shall carry out survey of the grid potential within 6 month from notification of this policy.

(iv) All upcoming HT industries shall install solar PV project of at least 5% of the contract demand. Such projects shall be either rooftop or ground mounted type and preferably within U.T. In case wherein, roof / land is not available within U.T. for installation of solar plants, obligated entity may install solar plants outside U.T. All such cases will be dealt on case to case basis.

14. Commercial Settlement

(i) The power generated by all plants implemented under this policy shall be purchased by DNHPDCL for the period of 25 years from the date of scheduled delivery date or Commercial Date of Operation (COD) whichever is later. The power procurement rates shall be as per JERC regulation and shall be revised on yearly basis as per JERC guidelines / Tariff Order.

15. Time frame for the implementation of projects

i) The time limit for declaration of COD after signing of PPA shall be as follows,

- Up to 25 KW per location : 1 month
- More than 25 KW and up to 100 KW: 2 months
- Up to 500 KW per location : 3 months
- Up to 5 MW per location : 6 months
- More than 5 MW per location: 12 months

ii) Commissioning date and COD shall be notified by DNHPDCL for each project after due approval / inspection of the plant.

16. Sale of Energy

i) Energy generated from solar power projects that are commissioned during this policy period may be sold to DNHPDCL or any other consumer / utility within or outside the U.T. All plants set under this policy will have to get registered and complete necessary formalities with the nodal agency.

ii) For sale of energy to third party, solar power developer can set up plants under this policy but will not be allowed to sign a PPA with DNHPDCL even at future date.

17. Incentives

(i) **Open Access charges:** If open access granted to developer/beneficiary, they shall be exempted from open access restriction and associated charges.

(ii) **Subsidy to Domestic Consumers:** U.T. Administration of Dadra and Nagar Haveli through DNHPDCL shall provide subsidy to registered domestic consumer for installation of solar PV projects in following manner.

- 1 KWp -> 10,000/-
- 2 KWp -> 20,000/-
- 3 KWp -> 30,000/-
- 4 KWp -> 40,000/-
- 5 KWp -> 50,000/-

(iii) Above capital assistance shall be available, provided that, the plant shall be located at the point of consumption. Further, no incentive shall be provided to the plant having capacity of more than 5 KW at single location.

(iv) The incentive provided by U.T. Administration shall in no way restrict the prosumer to avail other benefits / subsidy / assistance from Central Government / MNRE etc. as per prevailing Rules and Regulations.

(v) Subsidy shall be released in three parts as follows,

- 40% after six months from COD
- 40% after 12 months from COD
- 20% after 60 months from COD

(vi) All application for claiming subsidy from the U.T. shall be approved by empowered committee consisting of,

- Deputy Secretary (Finance) / Joint Secretary (Finance)
- Deputy Secretary (Power)
- Executive Engineer, DNHPDCL
- Any other person as nominated by Hon'ble Administrator

(vii) **Solar Power Evacuation:** DNHPDCL shall facilitate evacuation of solar power in following manner,

- **LT:** from metering point onwards (through net-metering)
- **HT/EHT:** from pooling substation (nearby 66/11 or 220/66 KV substation)
- **Plant located outside U.T.:** 220 KV substations of DNHPDCL / Electricity Department.

18. Taxes and Duties

- i) The tariff determined under JERC Regulation regarding solar energy (amended from time to time) shall be exclusive of taxes and duties as may be levied by the appropriate Government for sale of Solar Power, provided that the taxes and duties levied by the appropriate Government shall be allowed as pass through on actual basis.

19. Generic Tariff

- (i) The generic tariff for solar power projects as determined by commission shall be applicable to the projects developed under this policy. Such tariff shall be decided and declared by JERC on yearly basis.

20. Nodal agency and its role

- i) DNHPDCL shall act as nodal agency for implementation of Solar Policy. Further, DNHPDCL shall also be the executing agency for assisting nodal agency for permitting, facilitating, assisting and monitoring body for solar power projects setting up under this policy.

- ii) Responsibilities of the nodal agency shall include but not limited to:

- Publish the capacity available to distribution transformer for connecting solar power projects through net-metering on yearly basis.
- Appointment of EPC contractor through rate contract for development of solar projects.

- Promotion of Research and Development activities (R&D) and Environment friendly technologies.
- Arranging awareness campaign on energy conservation and use of renewable sources of energy at all levels.
- Utilization of funds provided under U.T.'s budget for activities like hiring consultant for bid process management, Outsourcing of single window system etc.
- Recommendation of projects to avail benefits under the policy declared or to be declared by the Government of India.
- Facilitation of allotment of suitable land/space in the control of government or its agencies.
- Financial arrangement through budget support, creation of green fund or through private investment.

21. Single Window Clearance System

- i) Nodal Agency will act as single window clearance for Solar Power Projects for the following activities:
 - Ensuring all the incentives available to the prosumer under relevant U.T.'s policy that are applicable to the solar power producers.
 - Ensuring that all relevant government orders pertaining to this policy are issued in a time bound manner by concerned departments.
 - Facilitation in all clearances, approvals, permissions and consents required from the State Government/its agencies will be the main task of the nodal agency as single window or may be outsourced by the Nodal Agency.
 - Ensuring timely provision of evacuation infrastructure for the upcoming solar power plants in coordination with DNHPDCL.

22. Empowered Committee

- i) If any difficulty arises by effect of this policy, empowered Committee will be authorized for interpretation of such provisions as may appear to be necessary for the removing the difficulty either on its own motion or after hearing the parties who represented for the change in the provision.
- ii) To monitor and rectify various issues arising out of due to effect of this policy, an Empowered committee will be constituted under the chairmanship of the Administrator of Dadra and Nagar Haveli. The committee will have the following members (but not limited to this):
 - Advisor to Administrator
 - Secretary Power
 - Secretary Finance
 - MD, DNHPDCL
 - Chief Engineer, DNHPDCL
 - Executive Engineer of DNHPDCL

Any other person as nominated by the Committee

(ii) The committee shall meet as and when required. Further, committee will deliberate and shall take decision on the following issues.

(a) Removal of difficulty for the implementation of this policy.

- Maintain coordination between the departments by resolving the issues.
- Approval related to sale of solar energy, bidding for solar power projects etc.
- Monitoring and providing valuable feedback on operation of single window clearance system.
- Any other relevant matter.

23. Amendment to Policy

- (i) The policy shall abide by applicable JERC Regulations as amended from time to time. DNHPDCL shall amend or issue corrigendum or redeclare policy as and when required. Notwithstanding anything directly or indirectly mentioned in the policy, all modifications / amendments / shall be approved by Hon'ble Administrator of Dadra and Nagar Haveli.

By order and in the name of
Administrator, UT of Dadra & Nagar Haveli

(S. KRISHNA CHAITANYA)
Deputy Secretary (Power)
Dadra & Nagar Haveli
Silvassa