

No. 318/331/2017-Grid Connected Rooftop
Government of India
Ministry of New and Renewable Energy

Block no. 14, CGO Complex,
Lodi Road, New Delhi,
Dated 20th August 2019

Office Memorandum

Subject: Operational Guidelines for implementation of Phase - II of Grid Connected Rooftop Solar Programme for achieving cumulative capacity of 40,000 MW from Rooftop Solar (RTS) Projects by the year 2022

This refers Ministry's Order No 318/331/2017-GCRT Division dated 8th March 2019 vide which sanction was issued for launch of Phase - II of Grid Connected Rooftop Solar Programme for achieving cumulative capacity of 40,000 MW from Rooftop Solar (RTS) Projects by the year 2022 covering following components: -

- (i) Component- A: Setting up of 4000 MW of Grid Connected Rooftop plants in residential sector with Central Financial Assistance (CFA)
 - (ii) Component- B: Incentives to Discoms based on achievement for installing additional grid connected rooftop capacity in all sectors over and above the base level, with the incentive being limited to the first additional 18000 MW of rooftop capacity added in the country. Achievement above this level will not be eligible for any incentive.
2. The Operational Guidelines for implementation of Phase II of the Grid Connected Rooftop Solar Programme programme are enclosed.
 3. This issues with the approval of Competent Authority.



(Aujender Singh)

Deputy Secretary to the Govt. of India

To,

1. All central Ministries and Departments
2. ACS/Principal Secretaries/Secretaries (Renewable Energy/Energy/Power) of States/UTs
3. DISCOMs/ State Nodal Agencies of all States/UTs
4. Principal Director of Audit, Scientific Audit-II, DGACR Building, I.P. Estate, Delhi
5. Pay and Account Officer, MNRE, New Delhi

Copy to:

1. PS to Hon'ble Minister of State (I/C) for Power, NRE and Skill Development and Entrepreneurship
2. PPS to Secretary/AS/AS&FA, MNRE
3. All Advisers & Group Heads
4. Director(NIC) to upload this on the Ministry's website
5. Sanction folder



(Aujender Singh)

Deputy Secretary to the Govt. of India

Guidelines on implementation of Phase – II of Grid Connected Rooftop Solar Programme for achieving 40 GW capacity from Rooftop Solar by the year 2022

1.0 Background

1.1 As a part of Intended Nationally Determined Contributions (INDCs), India has committed to increase the share of installed capacity of electric power from non-fossil-fuel sources to 40% by 2030. Solar energy is one of the main source to accomplish the target of 40% of electric power from non-fossil-fuel. Government of India has set the target of achieving 100 GW of solar power capacity in the country by the year 2022 of which 40 GW to be achieved from rooftop solar (RTS).

1.2 The rooftop solar (RTS) plant is a system installed mainly on the roof of a building and includes installations on open contiguous land within the area of premises wherein valid and live electricity connection has been provided by the concern Distribution utilities/companies (DISCOMS). Typically, 1(one) kWp RTS plant requires about 10 sq. m area. The Solar power so generated can then be used either for captive consumption of the premises or can be fed into the grid and be adjusted in the electricity bill. Net-metering regulations notified by respective State Electricity Regulatory Commissions (SERCs) provide a legal framework for such adjustment. RTS plants help DISCOMS in reducing transmission and distribution losses as power consumption and generation are co-located. These Plants are also useful in tackling day time peak load as solar generation profile matches such peak loads during the day.

1.3 The Government, on 30th December 2015, approved a program ‘Grid Connected Rooftop and Small Solar Power Plants Programme’ for installation of 4,200 MW RTS plants in the country by year 2019-20, of which 2,100 MW was through CFA and balance 2,100 MW was without CFA. The RTS projects sanctioned under this Program are under implementation by State Nodal Agencies (SNA’s), Solar Energy Corporation of India (SECI), Public Sector Undertakings (PSUs) and other Government Agencies (GAs).

2.0 The Government, on 19th February 2019 approved Phase-II of ‘Grid Connected Rooftop and Small Solar Power Plants Programme’ for achieving cumulative capacity of 40 GW RTS plants by 2022. In Phase-II, it has been decided to implement the programme by making the DISCOMS and its local offices as the nodal points for implementation of the RTS programme. DISCOMS will play a key role in expansion of RTS as DISCOMS are having a direct contact with end user and they provide approval for installation, manage the distribution network and also have billing interface with rooftop owner.

3 Aim and Objectives of Phase-II of Grid Connected Rooftop Solar Programme

The key objectives of the programme are:

- a. To promote grid connected RTS in all consumer segments, viz., residential, institutional, social, Govt., commercial, industrial etc.
- b. To bring DISCOMS at forefront as key drivers for rapid deployment of RTS.
- c. To create awareness, capacity building, human resource development, etc.
- d. To promote sustainable business models.
- e. To create additional RTS capacity of 38000 MW in the country by 31.12.2022 out of which a capacity of 4000 MW in residential sector with Central Financial Assistance and 34000 MW in other sectors (i.e., Social, Government, educational, PSUs,

Statutory /Autonomous bodies, Private Commercial, Industrial Sectors etc.) by suitably incentivizing DISCOMs

- f. To promote domestic manufacturing of solar cells and module

4 Strategy

The programme will be implemented through DISCOMs. This will lead to ease of access for the consumers. The programme provides for Central Financial Assistance (CFA) for the household owner and Group Housing Societies to set up RTS on the rooftop of their residence/residential campus. DISCOMs should create customer friendly environment by making enabling provisions in their regulations and smooth approval process required for RTS. Since the requisite expertise on solar energy for implementation of this Programme may not be available with DISCOMs, they will be at liberty to use the services of State Nodal Agencies (SNAs) engaged in the promotion of Renewable Energy of the respective States/UTs.

5. Implementation arrangement

The following major issues have been identified during the Phase-I of RTS programme: -

- Multiple tenders by different agencies and subsequently considerable delay in tendering.
- Involvement of multiple stakeholder viz. SNAs, DISCOMs, PSUs, Developers etc.
- Lack of uniform regulation/mandatory notification for rooftop solar
- Lack of uniform regulations.
- Lack of awareness among the prospective beneficiaries.

To address the above issues, and especially the fact that the consumer had to approach multiple agencies for getting a RTS plant installed, it has been decided to implement the programme by making the DISCOMs and its local offices as the nodal points for implementation of the RTS programme. The major components of this phase II of the programme are: -

- Component A: Setting up of 4000 MW of grid connected rooftop solar projects in residential sector with Central Financial Assistance (CFA)
- Component B: Incentives to Electricity Distribution Companies (DISCOMs) based on achievement towards initial 18000 MW of grid connected rooftop solar plants

5.1.1 Component A: Setting up of 4000 MW of grid connected rooftop solar projects in residential sector with Central Financial Assistance (CFA): In most of the States/UTs the residential sector enjoys benefit of subsidized electricity; therefore, beneficiaries of this sector would not be inclined to adopt rooftop solar until some capital CFA mechanism is put in place to reduce the cost of rooftop solar. Further, considering the fact that lower consumption slab pays lower tariff and vice versa, the CFA for RTS is also required to be restructured.

5.1.2 The CFA has been restructured and higher CFA up to 40 % will be given for RTS systems up to 3 kW capacity. For RTS systems of capacity above 3 kW and up to 10 kW, the CFA of 40% would be applicable only for the first 3 kW capacity and for capacity above 3 kW the CFA would be limited to 20 %. The residential sectors users may install RTS plant of

even higher capacity as per their requirement and the respective SERC regulation; however, the CFA would be limited for first 10 kWp capacity RTS plant as mentioned above.

5.1.3 For Group Housing Societies/Residential Welfare Associations (GHS/RWA) CFA will be limited to 20% for installation of RTS plant for supply of power to common facilities. The capacity eligible for CFA for GHS/ RWA will be limited to 10 kWp per house and total not more than 500 kWp, inclusive of RTS already installed on individual houses in that GHS/ RWA at the time of installation of RTS for common activity.

5.1.4 For the purpose of this component of the programme, Residential RTS plant would be the solar power system installed mainly on the roof of a residential building having an active residential power connection from the local DISCOM, and would also include installations on open contiguous land within the premises of the Residential building. The CFA pattern for the residential sector will be as follows: -

Type of residential sector	CFA (as percentage of benchmark cost or cost discovered through competitive process whichever is lower)
Residential sector (maximum up to 3 kW capacity)	40 % of benchmark cost**
Residential sector (above 3 kW capacity and up to 10 kW capacity)*	40 % up to 3 KW Plus 20% for RTS system above 3 kW and up to 10 kW
Group Housing Societies/Residential Welfare Associations (GHS/RWA) etc. for common facilities up to 500 kWp (@ 10 kWp per house), with the upper limit being inclusive of individual rooftop plants already installed by individual residents in that GHS/RWA at the time of installation of RTS for common activity.	20 %

**The residential sector users may install RTS plant of even higher capacity as provisioned by respective State electricity regulations; however, the CFA will be limited up to 10 kWp capacity of RTS plant.*

*** Benchmark cost may be different in General Category States/UTs and Special Category States/UTs i.e., North Eastern States including Sikkim, Uttarakhand, Himachal Pradesh, Jammu & Kashmir, Lakshadweep, and Andaman & Nicobar Islands. CFA shall be on benchmark cost of MNRE for the state/ UT or lowest of the costs discovered in the tenders for that state/ UT, whichever is lower*

5.1.5 MNRE will allocate capacity for installation of RTS System in residential sector by DISCOMS in the ensuing year. One of the parameters for allocating the capacity will be the demand raised by the DISCOM and capacity required for fulfilment of solar RPO of the State as notified by Ministry of Power. For this, DISCOMS will be required to submit yearly online proposal, in MNRE's SPIN portal (www.solarrooftop.gov.in) by the month of March. However, for the Year 2019-20, the DISCOMS shall be permitted to submit proposals in MNRE's SPIN portal within one month from the date of publication of these operational guidelines. Further, MNRE may ask for demand from DISCOMS directly to the Ministry, instead of going through the SPIN portal. In addition, preference would be given to

States/UTs who provide an additional subsidy/benefit over and above the CFA being given by the Central Government.

5.1.6 The implementing agency i.e. Discoms or its authorised agency shall invite Expression of Interest for empanelment of agencies for supply, installation, testing & commissioning of RTS system in residential premises. To ensure quality and post installation services only manufacturers of solar panels and system integrators fulfilling pre-determined technical and financial criteria would be allowed to participate in the bidding process. The selected bidders shall follow the quality control orders and standards for all components of RTS system and its installation procedure, if any, issued by MNRE from time to time. All the bidders within the price bracket of $(L1 + X\% \text{ of } L1)$ shall be empanelled. The digit "X" may be decided by the agency and should be clearly indicated while inviting Expression of Interest. The digit "X" shall not be more than 25. Further, if total no. of empanelled agencies are found to be less than 5 in the acceptable band, then the DISCOM may also include those agencies who fall in $L1+(X+5)\%$ of $L1$, provided they agree to match $L1$.

5.1.7 The beneficiary will have option of installing RTS system through any of these empanelled vendors at net of CFA amount i.e. making payment to the vendors after deducting the eligible CFA amount. The vendor will claim the CFA from the implementing agency. The CFA for residential sector as stated above shall be permissible only if domestic manufactured Solar Panels (using domestic manufactured Solar cells) are used by the beneficiary. However, CFA will be limited up to 20% / 40% (as the case may be) of the benchmark cost of RTS system as defined by MNRE from time to time or the rate discovered through transparent bidding by the implementing agency, whichever is lower. In case of RESCO model the benefit of the CFA should be passed on to the customer in the form of reduced tariff by factoring in the CFA through competitive process. Provisions of GFR shall be applicable for projects where Ministry is providing financial support.

5.1.8 The Implementing agency or Ministry officials or designated agency may inspect the ongoing installation or installed plants. In case the systems are not as per standards, non-functional on account of poor quality of installation, or non-compliance of AMC, the implementing agency/Ministry reserves the right to blacklist the vendor. Blacklisting may inter-alia include the following: -

- a. The Vendor/Firm will not be eligible to participate in tenders for Government supported projects.
- b. In case, the concerned Director(s) of the firm/company joins another existing or starts/ joins a new firm/company, the company will automatically be blacklisted.

5.1.9 The participating Government owned DISCOMs will be eligible to avail advance CFA up to 30% of the total CFA amount for the project. For private DISCOMs, CFA will be disbursed on reimbursement basis. However, if required private DISCOMs will be eligible to avail advance CFA upon submission of bank guarantee of an equivalent amount. More details on release of CFA slabs is given in para 11 of these guidelines. For settlement of project account, the implementing agency will have to submit the UC, Audited SoE, project completion certificate and online Project Completion reports in SPIN portal of MNRE. Implementing Agency will get service charges @ 3% of eligible CFA for implementing the programme for the various tasks as detailed in para 10 of these Guidelines. The service charges will be given only after completion of the project. The fund allocated in the

programme under the capacity building head would be retained by MNRE and would be utilized for carrying out capacity building activities only.

5.1.10 The beneficiary interested to install RTS plants will submit their application online or to the local office of the concerned DISCOM wherever the Online Portal is not developed, DISCOM will assist the consumer in all the activities related to sanction of CFA and commissioning and connectivity of the RTS plants through transparently enlisted vendors/manufacture/system integrators.

5.1.11 The entire process of receiving proposals, processing them and giving approvals would be IT enabled except in those DISCOMs where the Online Portal is not developed. Such DISCOMs shall avail the services of multilateral agencies nominated for each State for development of Online Portal for them during 2019-20. The SPIN portal will be made available to the DISCOMs to aggregate/register the demand of consumers in their operational area.

5.1.12 The consumer will pay only the balance amount, after excluding CFA portion, to the empanelled vendor. The CFA will be released through DISCOMs to the empanelled vendor after commissioning and inspection of RTS plant. DISCOMs shall adhere to the suggestive timelines for all such processes as defined in Annexure and ensure strict compliance of the same.

5.1.13 **Other than residential sector:** CFA will not be available for other categories i.e. institutional, educational, social, government, commercial and industrial sectors as the beneficiaries in these sectors are high tariff paying consumers and adoption of solar would be economically beneficial for them even without CFA. The power generated through RTS plant would result in significant reduction of the electricity bill paid by them to the DISCOMs, hence making it an economically viable solution. Although CFA is not admissible for non-residential sectors, the DISCOMs will be incentivized for addition of RTS capacity in these sectors too as described under para 5.2 below.

5.1.14 The capacity eligible for incentive to DISCOMs would cover the entire RTS capacity installed including the capacity installed without CFA and with CFA. DISCOMs are required to create enabling ecosystem for all such customers. DISCOMs shall notify guidelines for providing time bound approvals/connectivity. The various forms/formats/procedures, required for project implementation, shall be standardised by MNRE in consultation with Stakeholders.

5.1.15 **Method of metering:** While almost all States have approved regulations of net metering, for the purpose of this programme, the States may follow the metering method prescribed in the Tariff policy or as approved by the respective Electricity Regulator.

5.2 Component B: Incentives to Electricity Distribution Companies (DISCOMs) based on achievement towards initial 18000 MW of grid connected rooftop solar plants

5.2.1 Since DISCOMs are required to incur additional expenditure for implementation of programme in terms of additional man-power, creating infrastructure, capacity building, awareness, etc., these will be compensated by providing performance linked incentives. The incentives may be provided for each MWp capacity of solar rooftop, added by them in their distribution area over and above 10% of **base capacity installed at the end of previous**

year. However, such incentives will not be applicable with retrospective effect. These incentives will be provided to enable DISCOMs to create an enabling ecosystem for expeditious implementation of RTS projects in their area.

5.2.2 The tasks taken by DISCOMs shall include but not be limited to providing dedicated manpower for RTS implementation, rooftop assessment, bid process management to empanel system integrators along with rates, technical studies, up gradation in ERP system/components, providing time bound services to RTS consumers, inspection and online monitoring of RTS plants, online database management of commissioned capacity, consumer awareness and publicity, ensuring availability of net-meters, providing grid connectivity, capacity building of its officers/staff etc.

5.2.3 The DISCOMs will submit the cumulative capacity of grid connected RTS plants (in MWp) installed in their distribution area as on 31st March 2019. **This will be taken as the installed base capacity** for the first year of participating DISCOMs.

5.2.4 The incentives will be given on incremental RTS capacity installed by the DISCOMs in their distribution area from the installed base capacity (at the end of previous financial year) within the time line of 12 months (financial year-wise, i.e. 01.04.2019 to 31.03.2020 and so on till the duration of the programme). The incentive pattern would be a progressive one with higher incentive rates for higher levels of achievement. This is elaborated in the following table: -

S. No.	Parameter	Incentive to be Provided
1.	For installed capacity achieved above 10 % and up to 15 % over and above of the installed base capacity* within a financial year	5% of the applicable cost** for capacity achieved above 10 % of the installed base capacity
2.	For installed capacity achieved beyond 15 % over and above of the installed base capacity* within one financial year	5% of the applicable cost** for capacity achieved above 10 % and up to 15 % of the installed base capacity PLUS 10 % of the applicable cost** for capacity achieved beyond 15 % of the installed base capacity

**Installed base capacity shall mean the cumulative RTS capacity installed within the jurisdiction of DISCOM at the end of previous financial year. This will include total RTS capacity installed under residential, Institutional, Social, Govt., PSU, Statutory/ Autonomous bodies, Private Commercial, Industrial Sectors etc.*

*** Applicable Cost is the applicable benchmark cost of MNRE for the state/ UT for mid-range RTS capacity of above 10 kW and upto 100 kW or lowest of the costs discovered in the tenders for that state/ UT in that year, whichever is lower*

5.2.5 The incentive mechanism has been illustrated in the following table

Discoms	Installed base capacity (MW)	Achievement under programme (MW)	Percentage Achievement of installed base capacity (%)	Capacity eligible for 5% incentives (MW)	Capacity eligible for 10% incentives (MW)
A	100 MW	10 MW	10%	Nil	Nil
B	100 MW	12 MW	12%	2 MW	Nil
C	100 MW	20 MW	20%	5 MW	5 MW
D	100 MW	30 MW	30%	5 MW	15 MW

Note: The capacity eligible for incentives by DISCOMs would cover the entire capacity installed including the capacity installed without CFA and with CFA

5.2.6 The Incentives to the DISCOMs would be available only for the addition of initial 18000 MW RTS capacity in the country after launch of this programme. In case, higher capacity is achieved by the DISCOMs leading to entitlement for higher incentive slab of 10%, the total incentives to the DISCOMs would be limited to the financial outlay available for incentive under the programme, irrespective of the total capacity achieved under the programme by any particular DISCOM.

5.2.7 As the incentives are proposed for various reasons mentioned in 5.2.1 and 5.2.2, the above incentives proposed may not be a part of Tariff Determination & Tariff Rationalisation process of SERC /JERC.

6.0 Technology

6.1 The solar photovoltaic technology (including all forms of photo voltaic) based RTS projects for generation of electricity will be deployed under the Programme. Project proponents to adhere to the national/ international standards specified by MNRE from time to time. For subsidized projects (i.e. for residential projects detailed in para 5.1 above) only indigenously manufactured PV panels (both cells and modules) should be used.

6.2 Grid interactive SPV power plants, inverters, meters, cables, mounting structures and other balance of systems etc. should have the minimal technical requirements and quality control standards as prescribed by MNRE from time to time. The mechanical structures, electrical works including power conditioners/inverters/charge controllers/maximum power point tracker units/distribution boards/digital meters/switch gear/net-meters/storage batteries, etc. and over all workmanship of the RTS plants/ systems must be warranted against any manufacturing/ design/ installation defects for a minimum period of 5 years. Fulfilment of the warranty obligations of the complete Solar system shall rest with System integrator who in turn may claim the same from the component manufacturers.

6.3 Online monitoring system shall be provided by DISCOMs to ensure satisfactory functioning of all the RTS plants.

7 Management

7.1 The primarily responsibility of monitoring and reporting will be with the implementing agencies i.e. DISCOMs and they may carryout 3rd party inspection through National Monitors/Consultants, for ground verification/performance evaluation on random basis.

7.2 MNRE will hold regular review meetings to assess the implementation of the programme. MNRE will also do the physical sample inspection of the installed RTS plants for which CFA or Incentive has been claimed by the DISCOMs. Sample Inspection may be done by the officials of MNRE or any other designed Central Government agency.

7.3 The Ministry has developed the SPIN portal for uploading all details of RTS projects. Key features of installed plants, including geographical location, latitude- longitude, installed capacity, name & contact details of developer, project cost, etc. shall be uploaded by DISCOMs on this Portal. Ministry has also initiated process for geo-tagging of these projects with assistance of ISRO. Implementation Agencies have to submit progress reports from time to time to MNRE through SPIN.

8 Roles and responsibilities of stakeholders

8.1 Ministry of New and Renewable Energy: -

- i. MNRE shall allocate capacity for the ensuing year to different DISCOMs on the basis of demand, capacity required for fulfilment of solar RPO, any additional subsidy/benefit being given by the State/UT over and above the CFA being given by the Central Government, performance of the State/UT/DISCOM in the past, etc.
- ii. MNRE will release funds to the DISCOMs for disbursement of CFA to the vendors installing RTS plant in the residential sector.
- iii. The participating Government owned DISCOMs may avail advance CFA of up to 30% of the total CFA amount for the project. For private DISCOMs, CFA will be disbursed on reimbursement basis. CFA would be released on reimbursement basis for the capacity installed from time to time without any need to wait for the entire sanctioned capacity. Funds may be released on receipt of Project Installation Reports in prescribed formats on SPIN portal.
- iv. MNRE will release eligible incentive to the DISCOMs based on their performance in the last financial year.
- v. MNRE will do the physical sample inspection of the installed RTS plants for which CFA or Incentive has been claimed by the DISCOMs. Sample inspection may be done by the officials of MNRE or any other designed Central Government agency.
- vi. To provide necessary assistance to DISCOMs in respect of Portal development and its integration with SPIN portal of MNRE, capacity building of DISCOM officials, updation of billing software, etc., if so, required by them.
- vii. Undertake capacity building and public awareness campaigns through print and electronic media.

8.2 DISCOMs:

- i. Create a RTS cell at each Division level headed by the Executive Engineer and the respective Sub-Divisional Officer shall act as nodal officer for implementation of RTS projects in his operational area.

- ii. Develop dedicated online portal for grid connected RTS projects. This portal shall be integrated with MNRE SPIN portal for which assistance may be provided by MNRE to respective DISCOMs.
- iii. Empanelment of agencies for design, supply, installation, testing & commissioning of RTS system in residential premises lying under their jurisdiction as described in Paragraph 5.1.6 above by floating of Expression of Interest either itself or through a designated agency
- iv. Notify time bound procedure for implementation of the programme.
- v. Notify cost of metering arrangements, related connectivity components and other charges and ensure availability of appropriate meters.
- vi. No CEIG inspection is required for RTS plants up to 500 kVA capacity.
- vii. Undertake capacity building programs for DISCOM officers for RTS projects on regular basis.
- viii. Undertake consumer awareness campaigns through print and electronic media, developed guidebook/handbook.
- ix. Inclusion of appropriate metering settlement in ERP system and billing software.
- x. Develop time bound grievance redressal mechanism.
- xi. Submit the cumulative capacity of grid connected RTS plants (in MWp) installed in their distribution area first time as on 31st March 2019 and thereafter on 31st March every year for calculating the applicable incentive payable to them by MNRE.
- xii. DISCOM will take utmost care so that there is minimum loss of solar power due to grid failure during daytime or from any other reasons within their jurisdiction.
- xiii. The project commissioning timeline for the residential sector shall be fifteen months from the date of sanction from MNRE. For this, the implementing agencies may specify a cut-off date after which no project would be allocated so as to allow sufficient time for completion of already allocated projects. Benchmark cost prevailing at the time of commissioning of the project shall be applicable for calculation of CFA. The implementing agencies shall inform MNRE regarding capacity commissioned within stipulated timeline and submit documents to the Ministry within 45 days of completion of project time line. After 45 days, deduction of service charges at the rate of Rs. 1000/- per day would be levied on the project. In case the submission of project documents is delayed by more than 90 days from the date of completion timeline/last day of financial year, no service charges would be provided for the said project.

8.3 Empaneled Vendors for supply and installation of RTS projects

- i. Install RTS plant within the timeframe decided by the DISCOMs.
- ii. For projects covered under CFA, only indigenously manufactured PV panels (both cells and modules) should be used.
- iii. Vendors for supply and installation of the RTS shall establish a service centre in each District. In case if it is not economically viable for an individual vendor then Group of vendors can establish service centre in each District. Their contact details will be made available on the website of the DISCOMs.
- iv. These service centres have to provide services to the RTS owners within the timelines decided by the DISCOMs, free of cost for first five years (Warranty period) of commissioning of the RTS. Non-performing/Under-performing PV Panels will be replaced free of cost in the warranty period. Non-compliance of the service standards by the vendor will make it ineligible for future work orders by the Government.

9. Business models

Various business models in accordance with the prevailing legal framework are covered under the programme such as CAPEX, RESCO, rent a roof/lease model, community model, utility model, through a SPV having share of Utility, plug-in RTS model and any other model as specified by respective State Govt. Policy/Regulations. RTS systems with or without battery storage are covered under the programme.

In addition, hybrid systems, e.g., solar rooftop PV- wind hybrid, solar rooftop PV- solar thermal hybrid, solar rooftop PV- biomass hybrid etc. are also covered for which the capacity of the PV modules installed on rooftop of buildings within the campus will be considered for CFA/incentive calculations. However, this won't be applicable for cases wherein the developer/implementing agency has availed the CFA for solar module from the other components viz. wind, biomass etc.

10. Capacity building/awareness activities:

An amount of Rs. 66 Crore (i.e. 1 % of the amount allocated for CFA sector) has been allocated under the programme for capacity building /awareness activities. This fund will be retained by MNRE for promoting capacity building activities. These activities can be implemented directly by MNRE and/or in coordination with implementing agencies. The implementing agency (DISCOM) will submit detailed proposal /communication plans towards various activities for conducting such capacity building/awareness activities for consumers. Funds will be released in three phases, i.e., up to 40 % in advance and balance up to 60 % after completion of the activities, submission of activity reports, utilization certificates and audited statement of expenditure. DISCOM may be at liberty to use the existing infrastructure of State Nodal Agencies of Renewable Energy of the respective States/UTs (SNAs) for the same. The admissible CFA for conducting the capacity building programme e.g. National, International or State level by the implementing agency may be restricted as per the norms set by the I&PA/HRD Division. Any advance to private DISCOM will be released after submission of bank guarantee of requisite amount.

11. Service charges:

An amount of Rs. 198 Crore (i.e. 3 % of the amount allocated for CFA sector) has been allocated under the programme towards the service charges of the programme. The service charges will essentially cover but not be limited to the following: -

- demand aggregation activities,
- creation of working RTS cell in DISCOM
- bid process management
- implementation
- availability and streamlining the process of net-metering /billing
- inspection, monitoring, development of online portal
- training of DISCOM officials
- awareness programs for proliferation of rooftop solar PV projects
- creation and operating project management cell in MNRE etc.

DISCOMs may also utilize existing infrastructure of SNAs or may also implement the program through SNAs. In such cases, service charges may be appropriately divided between

the two agencies. However, projects would be sanctioned to DISCOMs only and SNA would be acting as the supporting agencies for DISCOMs. This service charge may also be used for 3rd party verification of the projects by MNRE or its designated agency (say State Nodal Agencies/ Govt. departments/PSUs/DISCOMs etc.) wherever required.

12. Pattern of release of CFA/incentives: -

	Advance	2nd instalment	3rd Instalment
Release of CFA in residential sector	30 % of CFA* After issuance of work order /empanelment of system integrators	30 % of CFA* after completion of 30% of the sanctioned capacity, submission of online project completion report and utilisation certificates etc.	Balance 40 % after completion of sanctioned capacity in the sanctioned timeline, submission of online PCR, UC, Audited SoE, Project Completion Certificates etc.
Incentives	Eligible incentives after submission of achievement details, i.e. Cumulative achievement (in MW) in the preceding FY ending Capacity of the RTS system installed the FY 2019-20,2020-21, 2021-2022 along with list of projects in SPIN portal along with Undertaking on project completion and sample inspection by 3 rd party		

* CFA will be calculated @ 20% of benchmark cost or cost discovered through tender whichever is lower for the purpose of advance to DISCOMs

13. Suggestive expectation from State Governments

- RTS capacity be permitted up to 100% of connected load
- Distribution Transfer (DT) capacity be increased to avoid denial of permission for setting up RTS on this ground
- Mandating installation of rooftop solar projects on Government buildings and new residential buildings
- Banking of solar power may be permitted for 12 months without any banking charges
- Monitoring of sanctioned RTS capacity and expedite commissioning of the allotted capacity
- Timely and correctly submission of project proposals and project commissioning reports for timely release of funds

14. Interpretation of the Guidelines

14.1 In case of any ambiguity in interpretation of any of the provisions of these Guidelines, the decision of MNRE shall be final.

14.2 The Guidelines may be reviewed from time to time based on the experience gained from the implementation of the programme and necessary modifications would be incorporated after getting approval of Minister, NRE.

Suggestive Operating Procedures for Installation and Metering Connection of Grid Connected Solar Rooftop PV Systems by DISCOMs

ACTIVITY	RESPONSIBILITY	TIMELINE (Max Working Days)
Submission of Application	CONSUMER	Zero Date
Acknowledgment of Application by DISCOM	DISCOM	02
Site Verification / Technical Feasibility & issuance of Letter of Approval (LOA) / Termination ^[1]	DISCOM	15
In-Principle Approval for CFA	DISCOM	10
Execution of Metering Agreement	DISCOM & CONSUMER	15 – 20
Installation of Rooftop Solar System	DISCOM, Empaneled Vendor & CONSUMER	90 - 180
Meter Procurement Intimation	CONSUMER	15 (prior intimating DISCOM on system readiness)
Submit Work Completion Report / Certificate	CONSUMER & Empaneled Vendor	90 – 180 (from LOA) (depending upon capacity)
Inspection by CEIG (if applicable)	CEIG	15 -20
Issuance of Safety Certificate	CEIG (if applicable)	5 – 10
Intimation to Install Meter	CONSUMER	7 - 10
Inspection by DISCOM, Installation of Meter ^[2] and Commissioning of the System	DISCOM ^[3]	15 – 20 (after CEIG approval)
Inspection for Release of CFA ^[4]	DISCOM	7 -10
Release of CFA	DISCOM	5 -10
Billing Process	DISCOM	30 After synchronization with Grid

^[1] DISCOM to communicate to deficiencies to Consumer and provide an opportunity to resolve them

^[2] DISCOM may provide a window of 15 days for Consumer to resolve deficiencies found during inspection

^[3] Joint Inspection by CEIG (if applicable) and DISCOM can reduce the timelines substantially. If DISCOM has no stock of meters, Consumer will purchase the same upon intimation by DISCOM. Inspection dates to be provided within 7 days by CEIG (if applicable) and DISCOM from the date of receipt of request for inspection sent by Consumer

^[4] Joint Inspection by CEIG (if applicable) and DISCOM can reduce the timelines substantially

OFFICE MEMORANDUM

Subject: Amendments/clarifications in Implementation Guidelines of Rooftop Solar Programme Ph-II.

The implementation Guidelines of Rooftop Solar Programme Ph-II were issued by the Ministry on 20 August 2019. Representations have been received from the implementing agencies seeking clarification on certain issues and difficulties being faced during the implementation of the Programme. Considering the same, following amendments have been made in the implementation Guidelines of Rooftop Solar Programme Ph-II:

S.N.	Existing Clause in Phase-II guidelines	Amended Clause
i	5.1.6 The implementing agencyprovided they agree to match L1.	5.1.6 The implementingprovided they agree to match L1. Further, the Implementing Agency shall allocate a minimum of 10% of the total allocated quantity under the tender to the L1 vendor and in case the L1 vendor does not execute the allocated quantity, his bank guarantee will be encashed and he will be blacklisted for 5 years for all Government tenders. (This amendment will be applicable for all the future tenders and tenders which are already floated with bid submission is scheduled on or after 06/03/2021)
ii	5.1.9 The participating Government owned DISCOMs will be eligible to avail advance CFA up to 30% of the total CFA amount for the project. For private DISCOMs, CFA will be disbursed on reimbursement basis. However, if required private DISCOMS will be eligible to avail advance CFA upon submission of bank guarantee of an equivalent amount.....	5.1.9 The participating Government owned /Private DISCOMs will be eligible to avail advance CFA up to 30% of the total CFA amount for the project.
iii	8.2 (xiii)Benchmark cost prevailing at the time of commissioning of the project shall be applicable for calculation of CFA	8.2 (xiii)..... Benchmark cost applicable at the time of issuance of LoAs / Empanelment of (developer/vendor) / issuance of work order will be applicable for the purpose of calculating CFA for the projects completed within sanctioned timeline. For projects completed during extended timeline CFA will be calculated on the basis of 95% of the applicable benchmark cost or 95% of tendered cost, whichever is lower.

Aditya 19/02/2021
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Clarification on incentives under the Rooftop Solar Programme Ph-II

2. Regarding RTS capacity to be considered for the purpose of calculating incentives under the Rooftop Solar Programme Ph-II, it is to clarify that only the total capacity of all types of grid-connected RTS plants installed in the area of licensee DISCOM/ED will be considered for the purpose of calculating incentives. The RTS plants which are not connected to the grid generally called behind the meter plants will not be considered for the purpose of calculating incentives. However, the DISCOMs/EDs should report the capacity of RTS plants installed behind the meter separately. The DISCOMs/EDs have to provide details of Grid-connected RTS capacity installed in their area of jurisdiction and declared by them as on 31st March 2019 in an Excel sheet with the following details:

S. No.	Consumer name	Address of RTS installation		Consumer category (Residential/Institutional/Government/Commercial/ Industrial/ Others, etc.....)	Consumer number as per electricity bill	RTS Capacity installed (kW)	The date on which RTS plant connected to the distribution system and metering initiated (DD/MM/YY)*	Whether the project is under subsidy scheme of MNRE (i.e. implemented by SNA/DISCOM/SECI/Expert PSU etc.) **
		Location	District					Yes/No

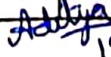
* In case exact date is not available, only month and year (MM/YYYY) may be provided

** List of subsidized plants implemented by these agencies are available in the DISCOMs SPIN login page (<https://solarrooftop.gov.in/>) at Reports=>Submitted subsidized PCRs by other SNA/Gov Agencies (Phase-1 Scheme) section

3. For the RTS capacity addition during 2019-20 and 2020-21, the detailed information on RTS capacity installed should also be provided in the excel sheet with the same format prescribe above.

4. For the RTS capacity installed behind the meter till 31st March 2019 and capacity addition during 2019-20 and 2020-21 is to be provided in a separate excel sheet with the following format

S. No.	Consumer name	Address of RTS installation		Consumer category (Residential/Institutional/Government/Commercial/ Industrial/ Others, etc.....)	Consumer number as per electricity bill	RTS Capacity installed (kW)	Date of installation of RTS plant (DD/MM/YYYY)*
		Location	District				


 19-02-2021
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* In case exact date is not available, only month and year (MM/YYYY) may be provided

5. On receipt of the above details, the incentive amount for respective DISCOMs/EDs will be calculated as per provisions of the Rooftop Solar Programme Ph-II.

6. In addition, the DISCOMs will provide information on the initiative taken by them for the promotion of rooftop solar in their area of jurisdiction. These initiatives may include providing dedicated manpower for RTS implementation, rooftop assessment, bid process management to empanel system integrators along with rates, technical studies, up-gradation in ERP system/components, providing time-bound services to RTS consumers, inspection and online monitoring of RTS plants, online database management of commissioned capacity, consumer awareness and publicity, ensuring the availability of net-meters, providing grid connectivity, capacity building of its officers/staff, etc.

7. As per guidelines, the incentives will be disbursed on the basis of the applicable benchmark cost of MNRE for mid-range RTS capacity of above 10 kW and up to 100 kW or lowest of the costs discovered in the tenders for that state/ UT in that year, whichever is lower.

8. For the claim of incentives of 2019-2020 and 2020-2021, all the DISCOMs are requested to submit the above details in DISCOMs SPIN login page (<https://solarrooftop.gov.in/>) at Entries=> Incentives to DISCOMs under Ph-II Programme.

9. From 1st April 2021 onwards the details of all Non-subsidised and off-grid behind the meter RTS systems installed in the area of jurisdiction of DISCOM/ED has to be uploaded on the MNRE SPIN portal at Phase-2 Scheme PCR=> Enter Non-Subsidized PCR (Phase-2).

This issues with the approval of competent authority.

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19-02-2021
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To
All concern

F.no. 318/331/2017- Grid Connected Rooftop
Government of India
Ministry of New and Renewable Energy

Block no. 14, CGO Complex, Lodi Road,
New Delhi 110003, Dated 4th May 2021

Office Memorandum

Subject: Amendment in Guidelines for Phase II of grid Connected Rooftop Solar Programme for achieving 40 GW capacity from Rooftop Solar by the year 2022- regarding service charges

This refers to OM no. 318/331/2017 – Grid Connected Rooftop dated 20.08.2019 and dated 19.02.2021 of this Ministry regarding Guidelines for implementation of Phase II of the Grid Connected Rooftop Solar Programme. These guidelines inter-alia govern release of service charges to implementing agencies. Undersigned is directed to issue amendments in the aforementioned Guidelines as per attached Annexure, regarding utilization and release of service charges under this Scheme.

2. This issues with the approval of Competent Authority.



(Hiren Chandra Borah)
Scientist D

To,

- All Concerned
- Tech Director (NIC, MNRE) to place in the website of MNRE and SPIN portal

Para-wise Amendment in Guidelines of phase II of Grid Connected Rooftop Solar Programme dated 20.08.2019 and 19.02.2021

Para/page	Existing Clause in phase II guidelines	Amended Clause
5.1.9 of page 4 and 5	<p>The participating Government owned /Private DISCOMs will be eligible to avail advance CFA up to 30% of the total CFA amount for the project. More details on release of CFA slabs is given in para 11 of these guidelines. For settlement of project account, the implementing agency will have to submit the UC, Audited SoE, project completion certificate and online Project Completion reports in SPIN portal of MNRE. Implementing Agency will get service charges @ 3% of eligible CFA for implementing the programme for the various tasks as detailed in para 10 of these Guidelines. The service charges will be given only after completion of the project. The fund allocated in the programme under the capacity building head would be retained by MNRE and would be utilized for carrying out capacity building activities only</p>	<p>The participating Government /Private DISCOMs will be eligible to avail advance CFA up to 30% of the total CFA amount for the project. More details on release of CFA slabs is given in para 11 of these guidelines. For settlement of project account, the implementing agency will have to submit the UC, Audited SoE, project completion certificate and online Project Completion reports in SPIN portal of MNRE. Implementing Agency will get service charges @ 3% of eligible CFA for implementing the programme for the various tasks as detailed in para 10 of these Guidelines. However, 25 % of these service charges will be utilized by the MNRE for communication/awareness generation programme.</p> <p>At the time of initial sanction, advance service charge of 1 % of CFA may be released to the implementing DISCOM based on the request and action plan of DISCOMs. After completion of the project and submission of documents as per guidelines the balance admissible service charge will be released after adjusting advance service charges and taking into account, penalty as per clause xiii of para 8.2 , if any.</p> <p>The fund allocated in the programme under the capacity building head would be retained by MNRE and would be utilized for carrying out capacity building and awareness building activities.</p>
Para 11 of page 10 and 11	<p>An amount of Rs. 198 Crore (i.e. 3 % of the amount allocated for CFA sector) has been allocated under the programme towards the service charges of the programme. The service charges will essentially cover but not be limited to the following: -</p> <ul style="list-style-type: none"> • demand aggregation activities, 	<p>An amount of Rs. 198 Crore (i.e. 3 % of the amount allocated for CFA sector) has been allocated under the programme towards the service charges of the programme. The service charges will essentially cover but not be limited to the following: -</p> <ul style="list-style-type: none"> • demand aggregation activities, • creation of working RTS cell in DISCOM

Para/page	Existing Clause in phase II guidelines	Amended Clause
	<ul style="list-style-type: none"> • creation of working RTS cell in DISCOM • bid process management • implementation • availability and streamlining the process of net-metering /billing • inspection, monitoring, development of online portal • training of DISCOM officials • awareness programs for proliferation of rooftop solar PV projects • creation and operating project management cell in MNRE etc. <p>DISCOMs may also utilize existing infrastructure of SNAs or may also implement the program through SNAs. In such cases, service charges may be appropriately divided between the two agencies. However, projects would be sanctioned to DISCOMs only and SNA would be acting as the supporting agencies for DISCOMs. This service charge may also be used for 3rd party verification of the projects by MNRE or its designated agency (say State Nodal Agencies/ Govt. departments/PSUs/DISCOMs etc.) wherever required</p>	<ul style="list-style-type: none"> • bid process management • implementation • availability and streamlining the process of net-metering /billing • inspection, monitoring, development of online portal • training of DISCOM officials • awareness programs for proliferation of rooftop solar PV projects • creation and operating project management cell in MNRE etc. <p>25 % of the service charges will be utilized by the MNRE for communication/awareness generation programme for proliferation of rooftop solar PV projects as mentioned above.</p> <p>DISCOMs may also utilize existing infrastructure of SNAs or may also implement the program through SNAs. In such cases, service charges may be appropriately divided between the two agencies. However, projects would be sanctioned to DISCOMs only and SNA would be acting as the supporting agencies for DISCOMs. This service charge may also be used for 3rd party verification of the projects by MNRE or its designated agency wherever required. At the time of initial sanction advance service charge of 1 % of CFA may be released to the implementing DISCOM based on the approved action plan of DISCOMs. After completion of the project and submission of documents as per the scheme guidelines the balance admissible service charge will be released after adjusting advance service charges and taking into account, penalty as per clause xiii of para 8.2 , if any.</p>

OFFICE MEMORANDUM

Subject: Amendments in implementation guidelines of Rooftop Solar Programme Phase II.

The Rooftop Solar Programme Ph-II provide for incentivising DISCOMs for achieving rooftop solar (RTS) capacity addition in a particular year above 10% of cumulative RTS capacity achieved by the DISCOM at the end of previous year. As per clause 5.2.4 of the implementation Guidelines of the Programme issued on 20.8.2019, the incentives are to be calculated on the basis of applicable benchmark cost of MNRE for the state/ UT for mid-range RTS capacity of above 10 kW and upto 100 kW or lowest of the costs discovered in the tenders for that state/ UT in that year, whichever is lower.

2. During the implementation of the Programme, it was observed that most the states/UTs have not issued tenders and discovered rates for RTS plants during 2019-20 and 2020-21. Further, the states/UTs where tendering process was concluded during these two years, the rates were not discovered for all slabs of RTS plant capacity. This situation has led to difficulty in deciding the rates for calculating incentives for a particular state/UT.

3. In order to overcome this ambiguity and bring uniformity in calculating incentives for all states/UTs, it has been decided to amend the clause 5.2.4 of the implementation Guidelines of the Programme as under:

Existing Clause	Amended Clause
Clause 5.2.4 The incentives will be given on incremental RTS capacity	Clause 5.2.4 The incentives will be given on incremental RTS capacity
**Applicable Cost is the applicable benchmark cost of MNRE for the state/ UT for mid-range RTS capacity of above 10 kW and upto 100 kW or lowest of the costs discovered in the tenders for that state/ UT in that year, whichever is lower	** For calculating incentives for a particular year, the lowest rate discovered for RTS among the rates discovered by different States/UTs in that year or the lowest of the benchmark cost for RTS of the MNRE for that year, whichever is lower, will be considered as Applicable Cost

4. This issues with the approval of competent authority.

Aditya
29/06/2021

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To
All concern

Government of India
Ministry of New and Renewable Energy
Grid Connected Rooftop Solar Division

Block No.14, CGO Complex,
Lodhi Road, New Delhi 110003,
Date: 1st September 2021

OFFICE MEMORANDUM

Subject: Amendment in Implementation Guidelines of Rooftop Solar Programme Ph-II.

The implementation Guidelines of Rooftop Solar Programme Ph-II were issued by the Ministry on 20 August 2019 and subsequently amendments were issued from time to time to ease implementation of the Programme.

2. Representations have been received from the implementing agencies to allow empanelment of sufficient number of vendors to allocate and complete installation of sanctioned RTS capacity. The issue was examined in the Ministry and following amendment has been made in the implementation Guidelines of Rooftop Solar Programme Ph-II:

Existing Clause in Phase-II guidelines	Amended Clause
5.1.6 All the bidders within the price bracket of (L1 + X% of L1) shall be empanelled. The digit "X" may be decided by the agency and should be clearly indicated while inviting Expression of Interest. The digit "X" shall not be more than 25. Further, if total no. of empanelled agencies are found to be less than 5 in the acceptable band, then the DISCOM may also include those agencies who fall in L1+(X+5)% of L1, provided they agree to match L1.	5.1.6 All the bidders within the price bracket of (L1 + 25% of L1) shall be empanelled on acceptance of L1 price matching. If total capacity allocated/accepted by these empanelled bidders is less than tender capacity, the option of L1 price matching will be extended to other bidders in the ascending order of price quoted by them till total tender capacity is allocated/ accepted by bidders or all bidders have been given option for L1 price matching, whichever is earlier.

2. This issues with the approval of competent authority.

Signed by Aditya Narayan
Prajapati
Date: 01-09-2021 18:05:08
Reason: Approved

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