

F. No. 15-14/9/2022-H-II(Part)  
भारत सरकार / Government of India  
विद्युत मंत्रालय / Ministry of Power  
Shram Shakti Bhawan, Rafi Marg  
New Delhi - 110001, Tel: 011-23705841

Dated: 10<sup>th</sup> April, 2023

To

1. The Secretaries of all the Ministries / Departments of Government of India
2. The Chief Secretaries of the State Governments & Union Territories
3. Principal Secretaries (Energy / Power) - All the State Governments & UTs
4. CMDs - PGCIL, NTPC, NHPC, SJVN, THDC, NEEPCO, Grid India, PFC, REC
5. The Chairman - BBMB, DVC

**Sub: Guidelines to promote development of Pump Storage Projects (PSP) - reg.**

Sir / Madam,

This has reference to Ministry of Power's letter of even number dated 15<sup>th</sup> February, 2023 vide which the draft PSP Guidelines were circulated for comments / suggestions. Subsequently, a webinar was held on 23<sup>rd</sup> February 2023 on the topic of "Green Growth", wherein, inter alia, suggestions were also received on the framework for Pumped Storage Projects in the country.

2. Based on the comments / suggestions received from the stakeholders, the Guidelines to promote development of Pump Storage Projects in the country have been finalized. A copy of the PSP guidelines is enclosed herewith for information and necessary action.

This issues with the approval of Hon'ble Minister of Power and New & Renewable Energy.

Yours sincerely,

(Mohd. Afzal)  
Joint Secretary

Email: afzal\_mdp@nic.in  
/hydro2-mop@gov.in  
Tel.: 011-23714000

**Copy to:-**

1. CEO, NITI Aayog
2. Secretary, CERC / All SERCs
3. Chairperson, CEA
4. Chairperson, CWC

**Copy also to:**

**In-charge, NIC Cell, MoP:** with request to upload the Guidelines on the website of the Ministry of Power.

# **Guidelines on Pumped Storage Projects**

## **1. Introduction**

Energy Transition entails increasing presence of variable and intermittent Renewable Energy Sources (VREs) like solar & wind in the energy mix. This presents a grid-level challenge for stability and a need for addressing the temporal considerations in power availability. Storage and ancillary services would be the attributes that require incentivization in the power system to ensure appropriate capacity. Comprehensive storage guidelines are required to set the direction of developments in this regard. Amongst the various technologies available for addressing this requirement of storage and ancillary services, Pumped Storage Projects (PSPs) are clean, MW scale, domestically available, time tested and internationally accepted.

The positive aspects of PSPs are not limited to the attributes of storage and ancillary services. PSPs are clean, green and safe. They don't produce any poisonous/ harmful by-products or pose problems of disposal. The advantages of promoting PSPs are not only based on their usefulness in maintaining grid stability and facilitating VRE integration but also their other positive attributes when compared to other available energy storage systems.

### **1.1 Perspectives**

Flexible Energy Generation Assets that can supply both Base Load & Peaking Power efficiently and economically are the need of the future and necessary to address the dynamically evolving energy needs of India. At present, Variable Renewable Energy Sources (VRE) such as wind and solar are being connected to the grid at a rapid pace owing to their low cost of installation and the thrust on sustainable & green energy. The energy supply from VREs can't be regulated since they are dependent on the time of the day, seasons, and the vagaries of weather. Hence, there is an ever-increasing demand for Energy Storage Assets. PSPs are best suited in the present scenario for addressing this demand. PSPs are also known as 'the Water Battery', which is an ideal complement to modern clean energy systems.

PSPs provide the necessary scale of storage and have a long service life of more than 40-50 years. This is much more than any other energy storage technology presently available. This also results in a low cost of delivered energy over the life of the projects. PSPs are also non-polluting and are more environmentally friendly. Pumped Storage Projects account for over 95 percent of installed global energy storage capacity. It is estimated that pumped hydro projects worldwide store up to 9,000 gigawatt hours (GWh) of electricity worldwide.

### **(a) Energy Transition Considerations**

India is on the path towards a clean energy transition, guided by the Nationally Determined Contribution (NDC) targets, to reduce the emission intensity of its Gross Domestic Product (GDP) by 45% by 2030, get to 50% of installed capacity from non-fossil fuel sources by 2030 and achieve net zero carbon emissions by 2070. Given the ongoing energy transitions in the country, the development of PSPs is of paramount importance for providing greater inertia and balancing power to the grid as battery storage solutions are still being scaled up and are required for short duration storage needs in grid management, PSPs are a natural enabler for integrating greater amounts of wind and solar power. With its ability to store a large amount of energy, frequent starts/stops, and faster ramp-ups/ramp-downs, PSPs are ideally suited to address the dynamic supply and demand. PSPs can also be used for peaking operation and improve the reliability of the power system.

### **(b) Ancillary Services Considerations**

Wind and Solar power have become one of the lowest-cost sources of renewable energy. However, their inherent variable, uncertain and intermittent nature presents a huge challenge for integrating large quantities of renewables, while maintaining grid stability. Curtailment of wind and solar power is already being witnessed in some areas although they presently constitute only around 25% of total energy capacity. With the increasing presence of VREs, the need for curtailment will be more acute if there is insufficient storage in the grid. PSPs present a viable solution to the integration issues of large RE capacities. They are best equipped for peak load requirements. PSPs can store a large amount of energy during off-peak hours and discharge over longer period. Thus, PSPs would help reduce RE curtailment and improve the plant load factor of VREs.

### **(c) Temporal Considerations**

It is anticipated that with the increasing presence of VRE in the energy mix, the generation of wind and solar energy may be at its peak where the energy demand is the lowest. If the energy from these sources is not stored during off-peak hours in times to come, there will be an increasing need for large operating reserves from thermal power plants (typically high carbon coal and gas) to meet the peak demands of the country. PSPs provide an economical solution by off taking a large amount of energy from the grid during off-peak hours, increasing the load factor of other systems, and also providing additional capacity to meet the peak loads. Pumped hydro storage provides a dynamic response and offers critical backup during periods of excess demand along with maintaining grid stability. Without PSPs, full decarbonisation of the electricity sector will not be achievable at reasonable costs. Thus, PSPs provide 'green storage' and make VREs dispatchable by firming up the capacities.

## **1.2 Advantages of Pumped Storage Projects**

### **(a) Ecologically friendly**

PSPs would have minimal impact on the environment in their vicinity as they are mainly envisaged on the existing Hydro Electric Projects, reservoirs, or as off-the-river projects. All components of PSPs would be connected, operated, and maintained in an environmentally friendly manner. There are no residual environmental impacts in the case of PSPs.

### **(b) Atmanirbhar Bharat**

The guidelines for the development of storage systems synchronize with the vision of Atmanirbhar Bharat. The PSPs primarily use indigenous technologies and domestically produced materials. Most of the electrical & mechanical parts of PSPs are also made in India. Other alternate solutions to storage such as batteries are heavily import-dependent.

### **(c) Tested Technology**

The PSPs operate on time-tested technology thereby infusing confidence in the lending institutions for a longer duration of loans. Additionally, the cost of technologies involved in the construction has reduced rendering PSPs a viable proposition. The technological surety associated with PSPs has opened the possibility for the developers to claim a higher debt-equity ratio in the projects.

### **(d) Local developmental**

The development of PSPs is highly capital intensive and involves the development of local transport infrastructure for the mobilization of men and materials. Local industries such as cement and steel also get impetus and drive job creation in the economy. This in turn have a salutary effect on local area development. PSPs are an ideal investment for socio-economic and regional development considerations like infrastructure up-gradation and employment generation.

### **(e) Longer and reliable duration of discharge**

PSPs are generally designed for a longer duration of discharge of more than 6 hours to meet the peak demand or for compensating the variability in the grid due to VREs. Currently, Battery Energy Storage Systems are designed for up to 4 hours of discharge generally. The firm capacity of PSPs during peak hours is guaranteed and relatively immune to the grid conditions.



### **1.3 Pumped Storage Potential and Development Status**

As of date, the CEA estimates regarding on-river pumped storage potential is 103 GW in India. Apart from the above, a large capacity of off-river pumped storage potential is also available which is being estimated. Suitable support is to be extended to the identification and evaluation of such potential.

As of now, 8 projects (4745.60 MW) are presently in operation, 4 projects (2780 MW) are under construction, and 27 projects (29930 MW) have been allotted by States which are under different stages of development.

### **1.4 Long Term Plan for Pumped Storage Hydro Development**

The long-term approach to the development of pumped storage projects will be driven by various factors regarding the requirement of the grid to achieve the energy transition. As per the revised draft NEP published by the Central Electricity Authority, the country would require 26.7 GW of Pumped Storage Projects and 47.2 GW of BESS (5 hour) to integrate the RE capacity envisaged till 2032. The PSP capacity requirement may further increase if the cost of BESS does not come down as expected. The Central Electricity Authority will continue modelling and forecasting the energy demand and energy mix over the long term and providing an indication of the probable requirement of the various forms of storage. This exercise would mean factoring in the aspects of viability and technology change. The Resource Adequacy Plan will consider storage as an element of planning.

### **1.5 Barriers in the development of Pumped Storage Projects**

#### **(a) Environmental clearances**

Presently, the environmental clearance and forest clearance process of PSPs is very cumbersome, since these projects are treated at par with the conventional hydro projects for the purpose of grant of EC and FC. The environment impact of PSPs constructed on existing reservoirs on on-the-river sites and on the off-the-river sites is much less than conventional HEPs. Further, unlike the conventional hydro projects, development of PSPs do not lead to significant displacement of the people and thus, require minimum R&R. Therefore, PSPs constructed on existing reservoirs and on off-the-river sites may be treated as a separate category for processing of clearances.

#### **(b) Free power**

PSPs are fundamentally energy storage projects designed to cater the need of grid stability during the peak hours. Unlike conventional hydro projects, PSPs do

not produce electricity. They are net consumers of electricity. Therefore, there is no question of imposing the requirement of free power on PSPs.

### **(c) Cost of pumping power**

The cost of power from PSPs has three components - cost of storage, cost of conversion losses and cost of input power. One of the prerequisites to ensure the commercial viability of a PSP unit is availability of input power at affordable tariff. However, this constraint is likely to be overcome in near future, with the availability of solar and wind power at relatively cheaper rates

### **(d) Value of peak power**

The importance of PSP lies in its capability to offer peaking power. Further, other services offered by PSPs, like spinning reserves, reactive support, black start ability, frequency response ancillary services and faster start-up and shutdown, which are essential for grid stability, are not adequately monetized.

## **2. Measures already taken by Government of India for promotion of PSPs**

### **2.1 Utilization of financial and project execution capabilities of CPSUs**

Government of India vide its order dated 08.08.2022 has indicated identified PSP sites against CPSUs to facilitate their development. A state-wise indication has also been carried out to help the States with work related to PSPs. States are encouraged to allocate the PSPs to CPSUs for early and prompt development aligned with the national interest. The present indication is at **Annexure-I**.

### **2.2 Energy Storage Obligation**

Government of India has, vide its order dated 22.07.2022, notified the trajectory of Energy Storage Obligation for the distribution companies to ensure the capacities regarding storage as a grid element. This would create demand for storage. The present trajectory is at **Annexure-II**.

### **2.3 Waiver of ISTS charges for PSPs**

Given the importance of facilitating RE integration in the grid and in pursuance of National Tariff Policy 2016, waiver of ISTS and other transmission charges have also been made available to Pumped Storage Projects vide Ministry of Power's Order dated 23.11.2021 which is given at **Annexure-III**.

In order to promote the development of PSPs, the waiver of ISTS charges shall be extended to all those PSPs where construction work is awarded by

30.06.2025. ISTS charges shall be levied on PSPs where construction work is awarded after 30.06.2025 as per the following trajectory:

S. No.	Award of construction work	ISTS charges
1.	01.07.2025 to 30.06.2026	25% of applicable ISTS charges
2.	01.07.2026 to 30.06.2027	50% of applicable ISTS charges
3.	01.07.2027 to 30.06.2028	75% of applicable ISTS charges
4.	From 01.07.2028	100% of applicable ISTS charges

## **2.4 Budgetary Support for Enabling Infrastructure**

The hydro projects and PSPs are often taken up in remote areas which have infrastructure deficits. The infrastructure created for hydropower / PSP enables further development of the area as the same is available for reuse for other purposes. Given the same, the Central Government is providing budgetary support for funding the enabling infrastructure of hydropower projects. This scheme also covers PSPs. The grant for enabling infrastructure is for the creation of infrastructure facilities that have alternate developmental value. The present dispensation in this regard is at **Annexure-IV**, and also applies to PSPs.

## **2.5 Timelines for formulation and concurrence of Detailed Project Reports for Pumped Storage Projects**

The Central Electricity Authority has issued revised guidelines for formulation and for examination & concurrence of Detailed Project Reports for Pumped Storage Projects in July 2022 and August 2022 respectively. As per revised guidelines, the timelines for preparation of DPR for PSPs has been reduced from 900 days to 720 days. CEA shall further reduce these timelines for off-stream closed loop PSPs and PSPs on existing Hydro projects (where one reservoir is available).

In addition, since no tariff / financial evaluation is required to be done by CEA for PSP projects allotted through Tariff Based Competitive Bidding or as part of integrated Renewable Energy Project or as captive plants, CEA has reduced the timeline for concurrence of such projects from 150 days to 75 days. For other PSPs, the timelines for concurrence has been reduced from 150 days to 125 days.

## **3. Guidelines for promotion of PSPs**

The following guidelines are being issued for the promotion of Pumped Storage Projects:

### **3.1 Allotment of project sites**

The State Governments may allot project sites to developers in the following manner:

**(i) On nomination basis to CPSUs and State PSUs**

For early development, States may award projects directly to hydro CPSUs or State PSUs on a nomination basis. Due consideration shall be given to the experience and financial strength of the CPSUs/State PSUs. The projects may also be allotted to Joint Ventures (JVs) between CPSUs and/or State PSUs for development of such PSPs. Further the CPSU/State PSU shall ensure that award of contracts for the supply of equipment and construction of the project, either through a turnkey or through well-defined packages, is done based on competitive bidding.

**(ii) Allotment through competitive bidding**

PSP project may also be awarded to private developers by following a two stage competitive bidding process. PSUs may also be allowed to participate in the bidding process. The first stage shall be for pre-qualification based on criteria of financial strength, experience of developing infrastructure projects of similar size, past track record of developing projects, turnover and ability to meet performance guarantees. In the second stage, bids are to be called based on quantifiable parameters such as concession period of the project or any other parameter as specified by the Central/State Government.

In case of allocation through modes 3 (i) & (ii) above, the home state shall have the right of first refusal upto 80% of the project capacity and tariff shall be fixed by the Appropriate Commission u/s 62 of the Electricity Act, 2003 The developer would be free to sell the balance storage space under short / medium / long term PPA, or in power markets or through bilateral contract.

**(iii) Allotment through TBCB**

PSPs may also be awarded on a TBCB basis to developers. For this purpose, the task of carrying out S&I and preparation of DPR may be given to an SPV under a CPSU/State PSU. SPV may be responsible for pre-construction activities such as preparation of project report, land acquisition, environment and forest clearance, etc. Such a dispensation would ensure the possibility of tariff determination based on competitive bidding. The DPR may be subsequently bid out for construction and SPV transferred to the successful bidder on the basis of:

- a. Composite tariff (including the cost of input power) in case input power is arranged by the developer; or
- b. Tariff for storage on a per Megawatt Hour basis if the input power is to be arranged by the procurer of the storage capacity.



The appropriate Commission shall adopt the above tariff u/s 63 of the Electricity Act, 2003.

**(iv) Self-Identified off-stream Pumped Storage Projects**

In addition to the above methods, developers may also self-identify potential off-stream sites where PSPs can be constructed. Since these sites are away from the riverine system and do not utilize the natural resources like river streams, allotment from State Governments would not be required for the development of PSP projects on such sites. Further, all statutory clearances need to be obtained from State and Central agencies before starting construction. It will help in harnessing the off-stream potential in the country at a faster pace. Projects developed in such a manner would be provided all concessions mentioned in these guidelines, subject to the directions issued by the Government from time to time.

**3.2 Timelines for Start of Construction work after award of Project**

Developers shall start construction work within a period of 2 years from the date of allotment of the project, failing which allotment of the project site shall be cancelled by the State. However, relaxation of 1 year may be granted to those projects where delay in start of construction is attributable to pending Environment Clearance (EC) and Forest Clearance (FC), provided that the applications are submitted to concerned authorities within timelines agreed at the time of award of the project.

**3.3 No Upfront Premium for Project Allocation**

In order to ensure the viability of the Pumped Storage Projects, States shall ensure that no Upfront Premium is charged for project allocation.

**3.4 Market reforms**

The comparison of PSPs with other conventional and VRE sources purely based on financial aspects is undervaluing and de-emphasizing the economic benefits extended by these projects. The monetization of Ancillary services provided by Pumped Storage Projects will give a much-needed boost to the sector. For this purpose, the following reforms may be undertaken:

- i. The appropriate Commission shall ensure that services like spinning reserves, reactive support, black start, peaking supply, tertiary and ramping support, faster start-up and shutdown, which help in supporting grid stability are suitably monetized.
- ii. Appropriate Commission shall notify Peak and Off-Peak tariffs for Generation to provide appropriate pricing signal to Peak and Base Load Generating Plants.

- iii. PSPs and other storage projects shall be allowed to participate in all market segments of the power exchange, including the high price segment of the Day Ahead Market (HP-DAM) so that they can take suitable advantage of the price differential between Peak and Off-Peak tariffs.
- iv. 80% power generated when PSPs operate as conventional hydro power stations during monsoon period (i.e. no pumping energy required for power generation) would be offered to the Home State at the rate of secondary energy fixed by the Central Electricity Regulatory Commission. The developer shall be allowed to sell the remaining energy to cover their Operation & Maintenance costs and other expenses.
- v. In the event of capacity contracted not being fully utilized by the contracting agency, the developer would be free to transfer the usage of the capacity to other interested entities so that resources do not remain idle. The gains made shall be shared with the original beneficiary in the ratio of 50:50.

### **3.5 Financial Viability**

The current power scenario indicates an imminent deep penetration of electricity storage in future and PSPs would be required to be operated invariably in two cycles for as long as variable RE infusion keeps on increasing. Thus, PSPs are expected to be utilized or run to their full capacities. This ensures recovery of costs in a minimum period. With high rates during peak hours in the power exchanges, PSP developers have the opportunity to optimize their operations and earn suitable returns.

To ensure that only viable PSPs are taken up for construction, the Central Government may notify a benchmark tariff of storage for investment decisions of developers considering 6-8 hours of operation of the PSP. This will be based on the prevailing and anticipated difference between peaking and non-peaking rates. Efforts would be made to ensure that only those PSP projects are taken up for development whose levelized cost of storage is within the benchmark cost of storage.

Financial institutions like PFC, REC, and IREDA shall treat PSPs at par with other renewable energy projects while extending long term loans of 20-25 years tenure. The debt equity ratio of PSP projects can be upto 80:20, in consultation with the financial institutions.

### **3.6 Taxes and duties**

To reap the long-term benefits and socio-economic development of states due to PSP projects, State Government shall consider reimbursement of SGST on PSP project components. States may exempt land to be acquired by off-the-river PSPs from payment towards stamp duty and registration fees. Government land, if available, may be provided at a concessional rate to the developers on annual lease rent basis.

Storage is an intermediary system where energy is stored and released later. In line with the principles of double taxation avoidance, Electricity Duty (ED) and Cross Subsidy Surcharge (CSS) shall not be applicable on pumping power for charging of PSPs as PSPs are merely facilitating conversion of energy. Electricity is stored during off-peak hours and discharged during peak hours. ED and CSS may only be levied on the final consumption of electricity.

Government of India from time to time has stated that no Water Cess should be levied on Hydro Power Projects since there is no consumptive use of water. Similarly, no water cess shall be levied on PSPs.

### **3.7 Exemption from Free Power obligation**

PSPs are energy storage schemes. They do not produce energy. They are net consumers of energy. Hence, the PSPs would be kept out of the liability of free power.

### **3.8 Local Area Development Fund**

PSPs have a minimal environmental impact and have no R&R issues. Therefore, there will be no requirement of creation of a Local Area Development Fund.

## **4. Utilization of exhausted mines to develop PSPs**

The discarded mines including coal mines in different parts of the country could be used as Hydro Storage and thereby become natural enablers for development of Hydro Pumped Storage Projects (PSPs). Efforts would be made to identify and develop exhausted mines / coal mines as prospective PSP sites in consultation with the Ministry of Coal, Ministry of Mines and respective State Governments.

## **5. Rationalization of Environmental Clearances for PSPs**

The off-river PSPs, are located away from the river course and have minimum impact on the riverine ecology. Hence they need to be treated differently for grant of Environmental Clearance.

Ministry of Environment Forest & Climate Change (MoEF&CC) has already initiated action in this regard. As per draft notification issued by MoEF&CC on 11.10.2022, PSPs which meet the following criteria would be appraised under B2 category for grant of Environmental Clearance (EC) irrespective of power generation capacity:

- (a) Projects which do not attract Forest Clearance (FC) and/or Wildlife Clearance (WC)
- (b) Projects wherein no new Reservoir(s) is (are) created.
- (c) Projects wherein the existing reservoir (s) is (are) not expanded and/or structurally modified {i.e. no increase in the capacity of reservoir(s) and no increase in submergence area of reservoir(s)}.

In addition, further liberalisation would be taken up for allowing base line data collection for one (1) season for off-stream closed loop PSPs and two (2) seasons for off-stream open loop PSPs (excluding monsoon season) for the purpose of carrying out Environment Impact Assessment (EIA) and preparing Environment Management Plan (EMP) required for EC, and for allowing collection of baseline data for carrying out EIA/EMP studies before issuance of Terms of Reference (ToR).

## **6. Green Finance**

Pumped storage projects are essential for the integration of renewable energy sources in the grid and their utilization, thereby avoiding greenhouse gas emissions. Hence, in order to initiate and accelerate the pace of establishment, PSPs may be supported through concessional climate finance. Sovereign green bonds issued for mobilizing resources for green infrastructure as a part of the Government's overall market borrowings may be deployed in the development of PSPs which utilize renewable energy for charging.

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No.15-23/3/2021-HYDEL-II(MoP)  
Government of India  
भारत सरकार  
Ministry of Power  
विद्युत मंत्रालय  
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Shram Shakti Bhawan, Rafi Marg  
New Delhi, dated 08<sup>th</sup> August, 2022

To  
The Chairman – BBMB, DVC  
The CMDs – NTPC, NHPC, SJVN, THDCIL, NEEPCO

Subject: Revised indication of Pumped Storage Projects (PSPs) to the Hydro CPSEs / BBMB / DVC – regarding.

Sir,

In supersession of this Ministry's letter of even no. dated 06.04.2022, I am directed to enclose herewith the 'revised indication of identified PSP sites to Hydro CPSEs / DVC / BBMB' and 'revised indication of States to Hydro CPSEs / BBMB / DVC' for development of Pumped Storage Projects (PSPs).

2. The concerned utilities would be responsible to take up the matter with the concerned State Governments, carry out suitable analysis and prepare the evaluation reports expeditiously on the projects indicated. Progress made by the utilities in this regard will be reviewed by this Ministry at regular intervals.

This issues with the approval of Hon'ble Union Minister of Power and New & Renewable Energy.

Encl: as above

Yours faithfully,



(R. P. Pradhan)  
Director (Hydro-II)

Email: hydro2-mop@nic.in

Copy to:

- (I) The Chief Secretaries of all the State Government / UTs – with request to extend all the necessary support to the Organizations.
- (II) The Chairperson, Central Electricity Authority.
- (III) The Chairman, Central Water Commission.

Copy for information to:

- (I) O/o Hon'ble Minister of Power and New & Renewable Energy.
- (II) O/o Hon'ble Minister of State for Power.
- (III) Sr. PPS to Secretary (Power) / PPS to Joint Secretary (Hydro) / PS to Director (H-I) / DD (H-II) / DD (NHPC) / DD(BBMB) / US(H-I), MoP.

**Indication of Identified PSP sites to Hydro CPSEs / DVC / BBMB**

S. No.	Name of Project	State/UT	Probable IC (MW)	Earlier Indicated Agency	Revised indication / Changes proposed
1	Matlimarg	Jammu & Kashmir	1650	NHPC	NHPC
2	Majra	Himachal Pradesh	1800	BBMB	BBMB
3	Jaspalgarh	Uttarakhand	1935	THDCIL	THDCIL
4	Ulhas	Maharashtra	1000	NHPC	NHPC
5	Pinjal	Maharashtra	700	NHPC	NHPC
6	Kengadi	Maharashtra	1550	NHPC	NHPC
7	Jalond	Maharashtra	2400	NHPC	NHPC
8	Kolmondapada	Maharashtra	800	SJVNL	SJVNL
9	Kalu	Maharashtra	1150	NHPC	NHPC
10	Sidgarh	Maharashtra	1500	SJVNL	SJVNL
11	<b>Amba</b>	<b>Maharashtra</b>	<b>2500</b>	<b>THDCIL</b>	<b>NTPC</b>
12	Chornai	Maharashtra	2000	SJVNL	SJVNL
13	Savitri	Maharashtra	2250	NHPC	NHPC
14	<b>Madliwadi</b>	<b>Maharashtra</b>	<b>900</b>	<b>SJVNL</b>	<b>NTPC</b>
15	Baitarni	Maharashtra	1800	SJVNL	SJVNL
16	Morawadi	Maharashtra	2320	THDCIL	THDCIL
17	Gadgadi	Maharashtra	600	THDCIL	THDCIL
18	<b>Kundi</b>	<b>Maharashtra</b>	<b>600</b>	<b>SJVNL</b>	<b>NTPC</b>
19	Aruna	Maharashtra	1950	THDCIL	THDCIL
20	Kharari	Maharashtra	1050	THDCIL	THDCIL
21	Jalvara	Maharashtra	2000	SJVNL	SJVNL
22	<b>Tigaleru</b>	<b>Andhra Pradesh</b>	<b>1650</b>	<b>SJVNL</b>	<b>NTPC</b>

23	<b>Varahi**</b>	<b>Karnataka</b>	<b>700</b>	<b>SJVNL</b>	<b>Karnataka Power Corporation Ltd. (KPCL)</b>
24	Nallar	Tamil Nadu	2700	THDCIL	THDCIL
25	Idukki	Kerala	300	THDCIL	THDCIL
26	Pallivasal	Kerala	600	THDCIL	THDCIL
27	Jharlama	Odisha	2500	NHPC	NHPC
28	Kulbera	West Bengal	1110	DVC	DVC
29	Panchet Hill	West Bengal	600	DVC	DVC
30	Lugupahar	Jharkhand	2800	DVC	DVC
31	Boro	Jharkhand	500	DVC	DVC
32	Tuivai	Manipur	2100	NEEPCO	NEEPCO
33	Hengtam	Manipur	2250	NEEPCO	NEEPCO
34	KhuaiLui	Assam	2100	NEEPCO	NEEPCO
35	LeivaLui	Mizoram	2100	NEEPCO	NEEPCO
36	Pakwa	Mizoram	1000	NHPC	NHPC
37	TuithoLui	Mizoram	1050	NEEPCO	NEEPCO
38	Mat	Mizoram	1400	NEEPCO	NEEPCO
39	TuiphaiLui	Mizoram	1650	NEEPCO	NEEPCO
40	Nghasih	Mizoram	1250	NEEPCO	NEEPCO
41	DaizoLui	Mizoram	2000	SJVNL	SJVNL
42	<b>Sandynalla</b>	<b>Tamil Nadu</b>	<b>1200</b>		<b>NTPC</b>
43	<b>Upper Bhavani</b>	<b>Tamil Nadu</b>	<b>1000</b>		<b>NTPC</b>
44	<b>Sigur</b>	<b>Tamil Nadu</b>	<b>1200</b>		<b>NTPC</b>
45	<b>Sillahalla Stage-II</b>	<b>Tamil Nadu</b>	<b>1000</b>		<b>NTPC</b>
46	<b>Netravathy Stage-I</b>	<b>Karnataka</b>	<b>1500</b>		<b>NTPC</b>
47	<b>Indira Sagar – Omkareshwar</b>	<b>Madhya Pradesh</b>	<b>500</b>		<b>NHPC</b>
48	<b>Panyor</b>	<b>Arunachal Pradesh</b>	<b>660</b>		<b>NEEPCO</b>

49	Kopili	Assam	320		NEEPCO
50	CheraKhad	Himachal Pradesh	500		SJVNL
51	Dhurmu	Himachal Pradesh	1600		SJVNL
52	TaalKhad	Himachal Pradesh	135		SJVNL
53	Sadda	Himachal Pradesh	220		SJVNL
54	Purthi and Sach Khas PSP	Himachal Pradesh	190		SJVNL
55	MalshejGhat	Maharashtra	700		THDCIL
56	Humbarli	Maharashtra	400		THDCIL

\*\* Government of Karnataka has allotted the Varahi PSP to Karnataka Power Corporation Limited (KPCL) and KPCL has already prepared that PFR with installed capacity of 1500 MW.

### Summary

Agency	Number of Projects		Capacity (in MW)	
	Earlier	Revised	Earlier	Revised
NHPC	9	10	14200	14700
SJVNL	10	11	13950	12745
THDCIL	9	10	13955	12555
NEEPCO	8	10	13900	14880
DVC	4	4	5010	5010
BBMB	1	1	1800	1800
NTPC	-	9	-	11550
<b>Total</b>	<b>41</b>	<b>55</b>	<b>62815</b>	<b>73240</b>



**Indication of States to Hydro CPSEs / BBMB / DVC  
for development of Pumped Storage Projects (PSPs)**

S. No.	State	Earlier Proposed Agency	Revised Proposed Agency
<b>Northern Region</b>			
1	UT of Jammu & Kashmir and Ladakh	NHPC	-
2	Himachal Pradesh	SJVN	
3	Uttarakhand	THDCIL	
4	Punjab	BBMB	
5	Haryana	BBMB	
6	Rajasthan	BBMB	
7	Uttar Pradesh	THDCIL	
<b>Western Region</b>			
8	Maharashtra	NHPC, SJVN, THDCIL	NHPC, SJVN, THDCIL, NTPC
9	Gujarat	SJVN	-
10	Madhya Pradesh	NHPC	
11	Chhattisgarh	THDCIL	
<b>Eastern Region</b>			
12	Jharkhand	DVC	-
13	Bihar	SJVN	
14	Odisha	NHPC	
15	West Bengal	DVC	
16	Sikkim	NHPC	
<b>Southern Region</b>			
17	Andhra Pradesh	SJVN	NTPC
18	Telangana	NHPC	-
19	Tamil Nadu	THDCIL	NTPC
20	Karnataka	SJVN	NTPC
21	Kerala	THDCIL	-
<b>North Eastern Region</b>			
22	NER	NHPC, SJVN, THDCIL, NEEPCO	-

F. No. 09/13/2021-RCM  
Ministry of Power  
Government of India

Shram Shakti Bhawan, New Delhi  
Dated 22 July, 2022

ORDER

**Subject: Renewable Purchase Obligation (RPO) and Energy Storage Obligation Trajectory till 2029-30 - regarding.**

In exercise of the powers conferred under section 3(3) of Electricity Act, 2003, the Central Government had notified the revised Tariff Policy, which was published in Gazette of India, Extraordinary, Part-I, Section-1 dated 28.01.2016.

2. Para 6.4(1) of the Tariff Policy 2016 provides as follows:

*"Pursuant to provisions of section 86(1)(e) of the Act, the Appropriate Commission shall fix a minimum percentage of the total consumption of electricity in the area of a distribution licensee for purchase of energy from renewable energy sources, taking into account availability of such resources and its impact on retail tariffs. Cost of purchase of renewable energy shall be taken into account while determining tariff by SERCs. Long term growth trajectory of Renewable Purchase Obligations (RPOs) will be prescribed by the Ministry of Power in consultation with MNRE."*

*Provided that cogeneration from sources other than renewable sources shall not be excluded from the applicability of RPOs."*

3. Energy from Hydro Power Projects is Renewable Energy (RE) as has been recognized world over. On 8<sup>th</sup> March 2019, the Government of India had also recognized Large Hydro Power Projects (LHPs) including Pumped Storage Projects (PSPs), having capacity of more than 25 MW, as part of RE. It was further specified that energy from all LHPs, commissioned after 8<sup>th</sup> March 2019, will be considered as part of Renewable Purchase Obligation (RPO) through a separate obligation, i.e. Hydro power Purchase Obligation (HPO).

4. Accordingly, the Ministry of Power (MoP), after detailed consultation with Ministry of New and Renewable Energy (MNRE), notified the HPO trajectory for the period from 2021-22 to 2029-30 vide order dated 29<sup>th</sup> January, 2021 and subsequent clarification dated 1<sup>st</sup> April, 2021. The revised trajectory of RPOs for Solar and Other Non-Solar power was also notified for the period from 2019-20 to 2021-22. The aforesaid order also mentioned that the RPO trajectory beyond 2021-22 will be specified later.

5. To recommend RPO trajectory beyond 2021-22, a Joint-Committee under the Co-chairmanship of Secretary, Ministry of Power and Secretary, Ministry of New and Renewable Energy, was constituted on 17<sup>th</sup> December, 2020. Based on the recommendations of the Joint Committee and further discussions with MNRE, MoP hereby specifies the following RPO Trajectory beyond 2021-22:

Year	Wind RPO	HPO	Other RPO	Total RPO
2022-23	0.81%	0.35%	23.44%	24.61%
2023-24	1.60%	0.66%	24.81%	27.08%
2024-25	2.46%	1.08%	26.37%	29.91%
2025-26	3.36%	1.48%	28.17%	33.01%
2026-27	4.29%	1.80%	29.86%	35.95%
2027-28	5.23%	2.15%	31.43%	38.81%
2028-29	6.16%	2.51%	32.69%	41.36%
2029-30	6.94%	2.82%	33.57%	43.33%

(a) **Wind RPO** shall be met only by energy produced from Wind Power Projects (WPPs), commissioned after 31<sup>st</sup> March 2022.

(b) **HPO** shall be met only by energy produced from LHPs (including PSPs), commissioned after 8<sup>th</sup> March 2019.

(c) **Other RPO** may be met by energy produced from any RE power project not mentioned in (a) and (b) above.

6. From F.Y. 2022-23 onwards, the energy from all Hydro Power Projects (HPPs) will be considered as part of RPO. The HPO trajectory, as has been notified earlier will continue to prevail for LHPs commissioned after 8<sup>th</sup> March 2019. All other HPPs will be considered as part of 'RPO' under category of 'other RPO'.

7. RPO shall be calculated in energy terms as a percentage of total consumption of electricity.

8. HPO obligations may be met from the power procured from eligible LHPs (including PSPs) commissioned on and after 8<sup>th</sup> March, 2019 to 31<sup>st</sup> March, 2030.

9. HPO obligation of the State/Discom may be met out of the free power being provided to the State from LHPs (including PSPs), commissioned after 8<sup>th</sup> March, 2019 as per agreement at that point of time excluding the contribution towards LADIF, if consumed within the State/Discom. Free power (not that contributed for Local Area Development) shall be eligible for HPO benefit.

10. In case, the free power mentioned above is insufficient to meet the HPO obligations, then the State would have to buy the additional hydro power to meet its HPO obligations or may have to buy the corresponding amount of Renewable Energy Certificate corresponding to Hydro Power.

11. The Renewable Energy Certificate mechanism corresponding to Hydro Power to be developed by CERC to facilitate compliance of HPO Obligation would have a capping price of Rs.5.50/Unit of electrical energy w.e.f. 8<sup>th</sup> March, 2019 to 31<sup>st</sup> March, 2021 and with an annual escalation @ 5% thereafter for the purposes of ensuring HPO compliance.

12. The above HPO trajectory shall be tried up on an annual basis depending on the revised commissioning schedule of Hydro projects. The HPO trajectory for the period between 2030-31 and 2039-40 shall be notified subsequently.

13. Hydro power imported from outside India shall not be considered for meeting HPO.

14. Any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either the excess energy consumed from WPPs, commissioned after 31<sup>st</sup> March 2022 beyond 'Wind RPO' for that year or with excess energy consumed from eligible LHPs (including PSPs), commissioned after 8<sup>th</sup> March 2019 beyond 'HPO' for that year or partly from both. Further, any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.

15. The following percentage of total energy consumed shall be solar/wind energy along with/ through storage.

F.Y.	Storage (on Energy basis)
2023-24	1.0 %
2024-25	1.5 %
2025-26	2.0 %
2026-27	2.5 %
2027-28	3.0 %
2028-29	3.5 %
2029-30	4.0 %

16. The Energy Storage Obligation in para 15 above shall be calculated in energy terms as a percentage of total consumption of electricity and shall be treated as fulfilled only when at least 85% of the total energy stored in the Energy Storage System (ESS), on an annual basis, is procured from renewable energy sources.

17. The Energy Storage Obligation to the extent of energy stored from RE sources shall be considered as a part of fulfilment of the total RPO as mentioned in para 5 above.

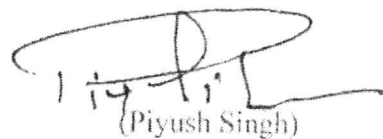
18. The Energy Storage Obligation shall be reviewed periodically considering the commissioning/ operation of PSP capacity, to accommodate any new promising commercially viable Energy Storage technologies and also reduction in cost of Battery Energy Storage Systems (BESS).

19. POSOCO will maintain a data related to compliance of RPO Obligations.

20. Further, the State Commissions may consider notifying RPO trajectory including HPO and Energy Storage Obligation trajectory for their respective States, over and above the RPO, HPO and Energy Storage Obligation trajectory given in para 5. Moreover, the Central Commission shall consider devising a suitable mechanism similar to Renewable Energy Certificate (REC) mechanism to facilitate fulfilment of HPO.



21. This issues with the approval of Hon'ble Minister of Power and New & Renewable Energy.



(Piyush Singh)  
Joint Secretary to the Government of India  
Tele No: 011-23714367

To

1. ACS/Principal Secretary/Secretary (Power/Energy), State Governments/UTs.
2. Secretary (CERC/FOR), New Delhi
3. Secretary, State Electricity Regulatory Commissions/Joint Electricity Regulatory Commissions

Copy to:

1. Secretary, MNRE, New Delhi
2. Chairperson, CEA, New Delhi

Copy also for information to:

1. PS to Hon'ble Minister for Power and NRE
2. Additional PS to Hon'ble Minister of State for Power
3. Sr. PPS to Secretary(P)/PPS to AS&FA, MoP/ PPS to AS(AT), MoP
4. PPS to All Joint Secretaries/ EA/ CE, MoP

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

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Shram Shakti Bhawan, Rafi Marg,  
New Delhi, 23<sup>rd</sup> November, 2021

**ORDER**

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

- 1.0 In exercise of the powers conferred under section 3(3) of Electricity Act, 2003, the Central Government notified the revised Tariff Policy on 28.01.2016.
- 2.0 In accordance with the Para 6.4(6) of the Tariff Policy 2016, Ministry of Power issued Order No. 23/12/2016-R&R dated 30.09.2016 on waiver of inter-state transmission charges on transmission of the electricity generated from solar and wind sources of energy. This order was amended vide orders dated 14.06.2017, 13.02.2018, 06.11.2019, 05.08.2020, 15.01.2021 and 21.06.2021.
- 3.0 With a view to encourage faster capacity addition based on solar or wind energy sources, in supersession of aforesaid orders and in accordance with para 6.4 (6) of the Tariff Policy, 2016 and sub-rule 12 of rule 5 of the Electricity (Transmission System Planning, Development and Recovery of Inter-State Transmission Charges) Rules, 2021, the following are notified:
  - 3.1 For the solar, wind, Hydro PSP and BESS Projects commissioned upto 30.06.2025, the waiver of inter-state transmission charges shall be applicable for the following:
    - (i) Solar or wind energy generation set up by any person/entity. The power generated from such sources can be self consumed or sold to any entity either through competitive bidding, Power Exchange or through bilateral agreement.
    - (ii) Electricity from solar and/or wind sources used by Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS) projects and subject to the following conditions:
      - (a) atleast 51% of the annual electricity requirement for pumping of water in the Hydro Pumped Storage Plant is met by use of electricity generated from solar and/or wind power plants.
      - (b) atleast 51% the annual electricity requirement for charging of the Battery Energy Storage System is met by use of electricity generated from solar and/or wind power plants.



- (iii) Electricity generated / supplied from such Hydro PSP and BESS power plants as mentioned in (ii) above.
- (iv) For trading of electricity generated/supplied from solar, wind and sources mentioned in (ii) and (iii) above, in Green Term Ahead Market (GTAM) and Green Day Ahead Market (GDAM) are upto 30.06.2025.
- (v) For Green Hydrogen production plants commissioned upto 30.06.2025. i.e Hydrogen produced using the electricity produced from solar, wind and sources mentioned in (ii) and (iii) above. This waiver shall be applicable for a period of 8 years from the date of commissioning of such hydrogen plant.
- (vi) For the power generated from solar and wind energy as per RE bundling scheme issued by Ministry of Power on 16.11.2021. Provided that the evacuation of this solar and/or wind power is being made from the main substation of the Thermal/Hydro power plant and this does not lead to any additional cost in augmentation of transmission system.

Further, no transmission charges for use of Inter State Transmission System (ISTS) shall be levied, when solar and/or wind power from power plant situated at one Thermal/Hydro Generating Station is supplying to procurers of another Generating Station, of the same Generating Company, located at a different location.

3.2 In order to have long term visibility and certainty to the renewable power generation, it is also provided that ISTS charges shall be levied for the solar, wind, Hydro PSP and BESS Projects commissioned after 30.06.2025, gradually as per following trajectory:


S.No.	Period of Commissioning	Inter-State Transmission Charges
1	01.07.2025 to 30.06.2026	25 % of the applicable ISTS charges
2	01.07.2026 to 30.06.2027	50% of the applicable ISTS charges
3	01.07.2027 to 30.06.2028	75% of the applicable ISTS charges
4	From 01.07.2028	100% of the applicable ISTS charges

4.0 The waiver shall be applicable, for a period of 25 years for solar, wind and Hydro PSP or for a period of 12 years for BESS or for a period subsequently notified for future projects by the Central Government, from the date of commissioning of the power plant.

5.0 It is also clarified that waiver is allowed for Inter-state transmission charges only and not losses. However, it is clarified that waiver of losses shall be applicable for the projects whose bidding was completed upto 15.01.2021.

6.0 This order shall be applied prospectively i.e. from the date of issue of order.

7.0 This issues with the approval of Minister for Power and NRE.



(Ghanshyam Prasad)  
Joint Secretary to the Govt. of India  
Tel: 2371 0389

To

Secretary, CERC, New Delhi.

Copy to:

1. Secretary, MNRE, New Delhi.
2. Chairperson, Central Electricity Authority, New Delhi.
3. Secretary in charge, Power/Energy Dept., State Governments/UTs.
4. Secretary, State Electricity Regulatory Commissions/Joint Electricity Regulatory Commissions.

Copy for information to:

1. PS to Minister for Power and NRE, APS to MoSP.
2. Joint Secretaries/Chief Engineer/Economic Adviser, Ministry of Power.
3. Sr. PPS to Secretary (Power), PPS to AS (SKGR), PPS to AS (VKD), Sr. PPS to JS (R&R)

No.15/2/2016-H.I(Pt.)(230620)

Government of India

Ministry of Power

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Shram Shakti Bhawan, New Delhi,

Dated, the 28<sup>th</sup> September, 2021

**OFFICE MEMORANDUM**

**Subject: Budgetary Support towards Cost of Enabling Infrastructure, i.e., roads/ bridges - regarding.**

1. Ministry of Power (MoP), vide OM no. 15/2/2016-H-I(Pt.)(230620) dated 08.03.2019, notified various measures approved by the Union Cabinet to promote Hydropower in the country. This included budgetary support for Enabling Infrastructure i.e., roads/ bridges for Hydropower projects on case-to-case basis. The basic objective of budgetary support for enabling infrastructure is to reduce tariff of Hydropower projects by ensuring that consumers are charged cost related to power components only. The budgetary support shall be provided for projects starting construction after 08.03.2019, i.e., date of notification. It was also mentioned that the budgetary support would be provided after appraisal/approval of each project by PIB/ CCEA as per the extant rules/due process and would be provided by MoP through its budgetary grants. The limit of this budgetary support for such roads and bridges would be i) Rs. 1.5 crore per MW for projects upto 200 MW and ii) Rs. 1.0 crore per MW for projects above 200 MW.
2. **Eligibility for Budgetary Support towards Cost of Enabling Infrastructure**
  - i. All large Hydropower projects (above 25 MW capacity) including Pumped Storage Projects (PSPs), concurred either by Central Electricity Authority (CEA) or the State Government, wherein Letter of Award (LoA) for the first major works package (Dam/ HRT/ Power House etc.) is issued after 08.03.2019, shall be eligible for budgetary support towards Cost of Enabling Infrastructure.
  - ii. All Roads and Bridges required to connect major components like Dam, Power House, Adits, Surge shaft, Pressure Shaft, TRT, etc. of the project to the nearest



State/ National Highway including any strengthening/ widening works shall be considered eligible for budgetary support. However, these roads/ bridges would exclude the works, for which either the Letter of Award have been issued or are currently under implementation by any Central/ State Agency like NHAI, BRO, PWD, SRRDA, RWD, PWD (Roads), REO(Rural Engineering Organisation) etc. or Central Schemes like PMGSY (Pradhan Mantri Gram Sadak Yojna), MGNREGA or State specific schemes like Mukya Mantri Sadak Yojana etc.

- iii. Cost of roads and bridges normally covered under head "R-Communications" in the concurred DPR including the following related costs shall be eligible for release as budgetary support:
  - a. Land acquisition cost
  - b. All statutory taxes/ levies, duties, cess, etc.

The specifications/ requirements like carrying capacity, turning radius, vertical clearance, width and gradient etc. of the roads/ bridges shall be as per concurred DPR.

3. The grant of Budgetary Support for the 'Enabling Infrastructure' shall be in the form of 'Reimbursement' after achievement of milestones mentioned in succeeding paragraphs related to the construction of project.

4. This OM shall be applicable to all eligible hydro projects i) wherein tariff is determined by CERC/ SERC under Section 62 of the Electricity Act 2003, ii) tariff is determined through competitive bidding under Section 63 of the Electricity Act 2003 iii) projects developed by agencies like BBMB which do not approach CERC/SERC for tariff determination/ adoption.

#### 5. **'In-principle' approval of Ministry of Power for Grant of Budgetary Support**

The procedure for obtaining 'In-principle' approval of Ministry of Power for grant of budgetary support for 'Enabling infrastructure' prior to commencement of construction is given below:

- a. After the DPR is concurred by CEA/ State Govt., the developer shall submit an application for 'in-principle' approval of budgetary support to CEA in the specified format (**Annexure-I**). For DPRs concurred before the issue of these guidelines, the developer shall submit the updated cost of Enabling Infrastructure (based on indexation issued by CWC) in the application for 'in-principle' approval.
- b. CEA shall examine applications received in consultation with CWC and forward its recommendations in the specified format (**Annexure-II**) to Ministry of

Power within one month of the end of the quarter in which application is received.

- c. Ministry of Power shall issue 'in-principle' approval for Budgetary Support in the specified format **(Annexure-III)** to the Developer after receiving recommendations from CEA.

The 'in-principle' approval by Ministry of Power would be only for the purpose of facilitating financial closure, etc. of projects from Banks/ FIs and will not create any obligation or commitment on part of Government to provide Budgetary Support subsequently till all the conditions for grant of the same are satisfied.

## 6. **Procedure for Release of Grant towards Budgetary Support**

The grant of Budgetary Support for the 'Enabling Infrastructure' shall be provided to the developer in the form of 'Reimbursement' as per the following procedure:

- i. After achievement of 25% financial progress w. r. t. approved / original project cost, the Developer shall submit the application in the specified format **(Annexure-IV)** to CEA for Reimbursement of Budgetary Support towards Enabling Infrastructure.
- ii. The developer shall submit a Bank Guarantee in specified format **(Annexure-V)** to the CEA for an amount equivalent to eligible Budgetary Support (or the Support requested whichever is less) with validity period up to the date of determination of tariff by the regulatory commission. Ministry of Power may encash the Bank Guarantee, in part or full, upon the recommendation of CEA, in cases where (a) the project is delayed by more than two years beyond the scheduled commissioning date excluding any delays attributable to force majeure conditions and (b) in cases where the funds are found being used/ diverted for works other than those related to enabling infrastructure. CEA shall maintain a proper account of the Bank Guarantee and shall be the custodian of such Bank Guarantee.
- iii. The developer shall submit verification records viz., auditor's certificate, self-certification, etc. along with the application as specified in para 6 (i) above in support of his claim for release of Grant.
- iv. CEA shall examine the applications received during each quarter in consultation with CWC and forward its recommendations in the given format **(Annexure-VI)** to Ministry of Power within one month of end of each quarter.
- v. On receiving recommendation from CEA, Ministry of Power shall process and obtain the approval of the competent authority for grant as per delegation of powers and General Financial Rules issued by Ministry of Finance, GoI which would be released through budgetary Provisions of Ministry of Power.

vi The Grant shall be limited to the amount as per "In-Principle" approval or the actual expenditure incurred on Enabling Infrastructure whichever is lower under the overall ceilings mentioned in para 1 above.

7. The physical progress of the enabling infrastructure works of each of the projects shall be monitored by a Monitoring Committee to be constituted by CEA and a Status Report, in this regard, shall be submitted to MoP on quarterly basis.

8. By 15<sup>th</sup> July of every year, the CEA shall send Estimates for Annual Budgetary Grants for the next financial year to Ministry of Power. These budgetary estimates would be based on projects scheduled for completion of milestone, as specified in para 6 above, during the next year.

9. A Report on the 'In-principle' approvals granted and Budgetary Support released during the year shall be sent by CEA to Ministry of Power every year by 31<sup>st</sup> May.

10. If ownership of the project changes before the commissioning of the project, MoP and CEA would be duly informed within three (03) months of such change.

11. This issues with the approval of Hon'ble Minister for Power.

  
(Raghuraj Rajendran)  
Joint Secretary

**To:**

1. **Principal Secretary/Secretary (Power / Energy), State Governments/UTs.**
2. **Secretary, CERC/FOR, Chanderlok Building, Janpath, New Delhi**
3. **Secretary, State Electricity Regulatory Commissions/Joint Electricity Regulatory Commissions**

**Copy to:**

1. **Secretary, MNRE, CGO Complex, New Delhi**
2. **Secretary, Ministry of Jal Shakti**
3. **Chairperson, CEA, Sewa Bhawan, RK Puram, New Delhi**
4. **Chairperson, CWC, RK Puram, New Delhi**

**Copy also for information to:**

1. **PS to Hon'ble Minister of Power/ Ps to Hon'ble Minister of State for Power.**
2. **Sr. PPS to Secretary (Power)/ Sr.PPS to AS&FA/ PPS to AS(Hydro)/ PPS to JS(Hydro)**
3. **PPS/Ps to All Joint Secretaries/Directors/Deputy Secretaries in the Ministry of Power.**