# Objective The scheme aims to add solar and other renewable capacity of 25,750 MW by 2022 with total central financial support of Rs. 34,422 Crore including service charges to the implementing agencies. The Scheme consists of three components: Component A: 10,000 MW of Decentralized Ground Mounted Grid Connected Renewable Power Plants of individual plant size up to 2 MW. Component B: Installation of 17.50 lakh standalone Solar Powered Agriculture Pumps of individual pump capacity up to 7.5 HP. Component C: Solarisation of 10 Lakh Grid-connected Agriculture Pumps of individual pump capacity up to 7.5 HP. Period Till 31.12.2022 Salient Features Components A and C of the Scheme will be implemented in Pilot mode till 31st December 2019. The Component B, which is an ongoing sub-programme, will be implemented in entirety without going through pilot mode. The capacities to be implemented under pilot mode for the Components A and C are as follows: Component A: Commissioning of 1000 MW capacity of ground/ stilt mounted solar or other renewable energy source based power projects • Component C: Solarization of 1,00,000 grid connected agriculture pumps Component A: Renewable power projects of capacity 500 kW to 2 MW will be setup by individual farmers/ group of farmers/ cooperatives/ panchayats/ Farmer Producer Organisations (FPO). In the above specified entities are not able to arrange equity required for setting up the REPP, they can opt for developing the REPP through developer(s) or even through local DISCOM, which will be considered as RPG in this case. DISCOMs will notify sub-station wise surplus capacity which can be fed from such RE power plants to the Grid and shall invite applications from interested beneficiaries for setting up the renewable energy plants. The renewable power generated will be purchased by DISCOMs at a feed-in-tariff (FiT) determined by respective State Electricity Regulatory Commission (SERC). ■ DISCOM would be eligible to get PBI @ Rs. 0.40 per unit purchased or Rs. 6.6 lakh per MW of capacity installed, whichever is less, for a period of five years from the COD. • Component B: • Individual farmers will be supported to install standalone solar Agriculture pumps of capacity up to 7.5 HP. • CFA of 30% of the benchmark cost or the tender cost, whichever is lower, of the standalone solar Agriculture pump will be provided. The State Government will give a subsidy of 30%; and the remaining 40% will be provided by the farmer. Bank finance

- may be made available for farmer's contribution, so that farmer has to initially pay only 10% of the cost and remaining up to 30% of the cost as loan.
- In North Eastern States, Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand, Lakshadweep and A&N Islands, CFA of 50% of the benchmark cost or the tender cost, whichever is lower, of the stand-alone solar pump will be provided. The State Government will give a subsidy of 30%; and the remaining 20% will be provided by the farmer. Bank finance may be made available for farmer's contribution, so that farmer has to initially pay only 10% of the cost and remaining up to 10% of the cost as loan.

#### • Component C:

- Individual farmers having grid connected agriculture pump will be supported to solarise pumps. Solar PV capacity up to two times of pump capacity in kW is allowed under the scheme.
- The farmer will be able to use the generated solar power to meet the irrigation needs and the excess solar power will be sold to DISCOMs.
- CFA of 30% of the benchmark cost or the tender cost, whichever is lower, of the solar PV component will be provided. The State Government will give a subsidy of 30%; and the remaining 40% will be provided by the farmer. Bank finance may be made available for farmer's contribution, so that farmer has to initially pay only 10% of the cost and remaining up to 30% of the cost as loan.
- In North Eastern States, Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand, Lakshadweep and A&N Islands, CFA of 50% of the benchmark cost or the tender cost, whichever is lower, of the solar PV component will be provided. The State Government will give a subsidy of 30%; and the remaining 20% will be provided by the farmer. Bank finance may be made available for farmer's contribution, so that farmer has to initially pay only 10% of the cost and remaining up to 10% of the cost as loan.

How to avail the financial assistance

### • Component A:

- The renewable power generated will be purchased by DISCOMs at a feed-in-tariff (FiT) determined by respective State Electricity Regulatory Commission (SERC).
- In case the farmers/ group of farmers/ cooperatives/ panchayats/ Farmer Producer Organisations (FPO)etc. are not able to arrange equity required for setting up the REPP, they can opt for developing the REPP through developer(s) or even through local DISCOM, which will be considered as RPG in this case. In such a case, the land owner will get lease rent as mutually agreed between the parties.
- DISCOM would be eligible to get PBI @ Rs. 0.40 per unit purchased or Rs. 6.6 lakh per MW of capacity installed, whichever is less, for a period of five years from the COD.

### • Component B & C

- State-wise allocation for solar pumps and solarisation of existing grid-connected pumps will be issued by MNRE once in a year, after approval by a Screening Committee under the chairmanship of Secretary, MNRE.
- On acceptance of the allocated quantity by the implementation agencies and submission of detailed proposal as per MNRE format, with in a given time, final sanction will be issued by MNRE.
- Projects for solarisation of pumping systems shall be completed within 12 months from the date of sanction by MNRE. However, for North Eastern States including Sikkim, Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Lakshadweep and A&N Islands this time limit will be 15 months from the date of sanction. Extension in project completion timelines, up to a maximum period of three months, will be considered at the level of Group Head in MNRE and upto 6 months at the level of Secretary in MNRE on submission of valid reasons by the implementing agency.
- Funds up to 25% of the MNRE benchmark cost or cost discovered through tenders, whichever is less, for the sanctioned quantity would be released as advance to the implementing agency only after placement of letter of award(s) to the selected vendors.
- The balance eligible CFA along with applicable service charges would be released on acceptance of the Project Completion Report in the prescribed format, Utilization Certificates as per GFR and other related documents by the Ministry.
- MNRE CFA and State Government's subsidy will be adjusted in the system cost and beneficiary will have to pay only the remaining balance.

## Whom to contact

- For Component A, DISCOMs will be implementation agencies.
- For Component B, DISCOMs/ Agricultural Department/ Minor Irrigation Department/ any other Department designated by State Government will be the implementing agencies.
- For Component C, DISCOMs /GENCO/ any other Department designated by State Government will be the implementing agencies.
- Each State will nominate implementation agency in that State for each of the three components.
- Component-wise details of Sanctions and State Implementing Agencies for 2019-20

#### Relevant Document

- <u>Guidelines for Implementation of Feeder Level Solarisation under Component- C of PM-KUSUM Scheme</u>
- <u>Amendments/clarifications in the implementation Guidelines of Pradhan Mantri Urja</u> <u>Suraksha evam Utthaan Mahabhiyaan (PM-KUSUM) Scheme (13-11-2020)</u>
- <u>Scale-up and expansion of Pradhan Mantri Urja Suraksha evam Utthaan Mahabhiyaan</u> (PM-KUSUM) Scheme (09-11-2020)
- <u>Clarification for implementation of Pradhan Mantri Kisan Urja Suraksha evam Utthan</u>
  <u>Mahabhiyan (PM-KUSUM) Scheme (04-09-2020)</u>
- Amendment in Guidelines for Implementation of Component-C of Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyaan (PM-KUSUM) Scheme - reg (27-07-2020)
- Guidelines for innovative solar pumps (22-06-2020)
- Clarification in PM-KUSUM Guidelines dated (31-12-2019)
- <u>Guidelines for Component-C on Solarization of existing grid-connected agricultural pumps (08-11-2019)</u>
- Amendment in Guidelines for PM KUSUM Scheme (19-08-2019)
- Guidelines for PM KUSUM Scheme (22-07-2019)
- <u>Universal Solar Pump Controller (USPC) Specifications for Stand-alone pumps dated (17-07-2019 )</u>
- <u>Guidelines on Testing Procedure for Solar PV Water Pumping Systems dated (17-07-</u>2019)
- Specification for Solar PV Water Pumping Systems dated (17-07-2019)
- Administrative approval for PM KUSUM Scheme (08-03-2019)
- Prices discovered and vendors selected for 10 HP solar pumps through EESL tender under Component B of PM-KUSUM Scheme
- Prices discovered and Vendors selected through tender conducted by EESL under <u>Component-B of PM-KUSUM Scheme for FY 2019-20(768KB pdf)</u>