

**GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA**

UNSTARRED QUESTION NO:3490
ANSWERED ON:16.04.2010
RATES FOR SOLAR ENERGY
Premajibhai Dr. Solanki Kiritbhai

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Gujarat Electricity Regulation Commission (GERC) has declared rates for solar energy;
- (b) if so, the details, thereof
- (c) whether the Government proposes to implement it at National level and proposed to declare the rates for solar energy in the country; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF NEW AND RENEWABLE ENERGY(DR. FAROOQ ABDULLAH)

(a)&(b): Gujarat Electricity Regulatory Commission (GERC) has issued an order in January, 2010 to determine the tariff for generation of electricity from solar thermal and photovoltaic routes. The GERC has announced a rate of Rs. 11 per kWh for the solar thermal power for initial 12 years and Rs. 4 per kWh from 13th Year to 25th year. In case of solar PV power projects the rate is Rs. 15 per kWh for the initial 12 years and Rs. 5 per kWh for from 13th Year to 25th year. The above tariffs take into account the benefit of accelerated depreciation under the Income Tax Act and Rules. As per the order of GERC, for a project that does not get such benefit, the Commission would, on a petition in that respect, determine a separate tariff taking into account all the relevant facts.

(c)&(d): Tariff for purchase of solar power by the distribution licensees is determined by the respective State level Electricity Regulatory Commissions. Therefore, the Central Government can not declare tariff at the National level. However, Central Electricity Regulatory Commission (CERC) has issued guidelines and norms to facilitate tariff fixation by the State Electricity Regulatory Commissions.

Under the first phase of the Jawaharlal Nehru National Solar Mission, the NTPC Vidyut Vyapar Nigam (NVVN) will purchase solar power from the project developers. NVVN being a Central PSU, Central Electricity Regulatory Commission (CERC) has issued tariff orders in this regard.

For the year 2009-10 the CERC had announced a tariff of Rs. 13.45 per kWh for Solar thermal projects and Rs. 18.44 per kWh for Solar PV projects, which is applicable for 25 years and does not take in account the accelerated depreciation benefit.