

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

UNSTARRED QUESTION NO:331

ANSWERED ON:20.11.2009

PROMOTION OF SOLAR POWER

Reddy Shri Magunta Srinivasulu;Thomas Shri P. T.

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

- (a) whether the Government has formulated any policy for funding companies engaged in solar energy generation;
- (b) if so, the details thereof;
- (c) whether the Government has received proposals from the State Governments regarding setting up of Solar energy projects;
- (d) if so, the details thereof, State-wise;
- (e) whether any study has been conducted regarding the cost effectiveness of using solar energy for air conditioners; and
- (f) if so, the details thereof?

Answer

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

(a)&(b): Yes Sir. The Ministry has announced demonstration programme to support megawatt size grid interactive solar power generation projects for a total capacity of 50 MW in the country, based on solar photovoltaic and solar thermal technologies. Any registered company, including private company, is eligible to set up solar power projects on build, own and operate basis. Proposal from each project developer with a maximum aggregate capacity of 5 MW, either through a single project or multiple projects of a minimum capacity of 1 MW each, would be considered. A maximum of 10 MW capacity solar power generation projects are to be considered in a State. Projects approved by the Ministry under the schemes will be eligible to receive generation based incentive up to Rs.12 per kWh for solar photovoltaic power and Rs.10 per kWh for solar thermal power fed to the grid by the solar power project developers, after taking into account the tariff provided by the State Electricity Regulatory Commission and the utility. The incentive will be available for a maximum of ten years.

(c)& (d): Under the scheme, projects for 25 MW capacity of solar PV power and 11 MW of solar thermal power have been found to be eligible to receive generation based incentive. These projects are from the States of Rajasthan (10 MW), Andhra Pradesh (7MW), Tamil Nadu (6 MW), West Bengal (6 MW), Chattisgarh (5 MW) and Punjab (2 MW).

(e)&(f): Ministry is supporting installation of some solar thermal based air conditioning systems on demonstration basis. The data generated from such projects will also be helpful to assess their cost effectiveness.