NATIONAL MINI-GRID POLICY

Final Draft
PROCESS OF THE POLICY

Establishment of committee
- MNRE letter on 1st Feb 2016
- 3 committee members – CLEAN, CSE and Shakt

Final Submission to MNRE
- Committee meetings
- Stakeholder feedback
- Draft National Policy

National Mini-grid Policy
- Public Comments
- Stakeholder Consultation
- Updating the draft
The Ministry targets to achieve deployment of:

- at least 10,000 RE based micro and mini grid projects across the country
- a minimum installed RE capacity of 500 MW
- in next 5 years

Aspire to provide energy for services beyond lighting such as fan, mobile charging; productive and commercial requirement.

The Ministry encourages States to develop their own dedicated policy or programme based on these recommendations.

POLICY TARGETS
• The draft policy in itself is a set of guidelines for states to use and draft their own policies. It lays down various options available to the states to choose from and select the one best suited for the conditions in a particular state.

• Elaborates types of configurations

• Explains various pricing and tariff models

• Options for planning and development of mini-grids

• Encourages larger size projects and clustering

• Defines clear roles and responsibilities

• Standards and norms for technology

• Exit Options

SALIENT FEATURES
• **Open Market Option** - Private ESCOs are allowed to operate in any DISCOM grid connected or off-grid areas, and multiple ESCOs are allowed to operate in any area.

• **Mixed Approach** - State (or SNA) notifies priority areas, which are to be taken up through state-governed approach. Private ESCOs are allowed to operate in non-programme as well as programmes areas, and multiple ESCOs are allowed to operate in any area.

• State may extend certain special privileges or incentives
For both the entry situations – Areas where the DISCOM grid pre-exists Or Areas where the DISCOM grid is yet to arrive - the ESCO will be allowed to:

• “Open Market”: Continue supplying to its consumers and exist in parallel with DISCOM grid, or
• Continue to supply to its consumers and sell excess or unsold electricity to DISCOM grid at the interconnection point and draw power from mini grid if required, or
• Supply all electricity generated to the DISCOM grid at the interconnection point

EXIT OPTIONS
Till date, there is no database or record of how many micro- and mini-grids are operating on the ground and what is their current status of operation. The PIS would be a databank of this information and would help keep an account of the number of working and under-construction projects under various categories, as follows:

- Less than 10 kW—Category A
- From 10 kW to 100 kW—Category B
- From 100 kW to 250 kW—Category C
- From 250 kW and above—Category D
• Draft National Policy on Mini Grids published for comments on 1st June 2016
• Last date of submission of comments was 20th June 2016
• 33 individuals/organizations both national and international submitted comments
• Stakeholder Consultation was in 24th July 2016
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