

# DETAILS & SOP ON IMPLEMENTATION OF PRADHAN MANTRI KISAN URJA SURAKSHA EVAM UTTHAN MAHAVIYAN SCHEME (PM KUSUM-C) ON SOLARISATION OF GRID CONNECTED AGRICULTURE PUMPS

# 1. Brief background of the PM KUSUM Scheme of MNRE: -

- The Ministry of New and Renewable Energy (MNRE), Government of India has launched the Scheme for farmers named as PM KUSUM which envisages solarization Grid connected Agriculture Pumps by installing solar system through office memorandum dated 8th March, 2019 & further scaled up vide notification dated 4th November, 2020.
- This scheme has been extended up to 31st March, 2026.
- The PM KUSUM scheme has following three components:
- **A. Component-A:** Setting up of Decentralized Ground Mounted Grid Connected Solar Power Plants size up to 2 MW with Central Financial Support (CFS).
- **B.** Component-B: Installation of Stand-alone Solar Agriculture Pumps of individual pump capacity up to 7.5 HP with CFS.
- **C. Component-**C: Solarisation of Grid Connected Agriculture Pumps of individual pump capacity up to 7.5 HP including through feeder level solarization.

## 2. Brief Note on PM KUSUM-C Scheme: -

Further MNRE has placed guideline for implementation of PM KUSUM-C scheme through Office Memorandum dated 8<sup>th</sup> Nov, 2019. This scheme has two sub- components-

- Individual Pump level Solarisation: Individual farmer having grid connected agricultural pump will be supported for solarisation of the pump. The solar PV capacity up to two times of the pump capacity (in KW) is allowed under the Scheme, so that the farmer will be able to use the generated solar power to meet its irrigation needs and get additional incomeby injecting the surplus solar power to DISCOMs.
- **Feeder Level Solarisation:** The separate agricultural feeders or feeders having major loads of agricultural connection will be solarised under the Scheme. Annual power requirement for an agriculture feeder will be assessed and a solar power plant capable to fulfil the requirement of annual power for the concerned agriculture feeder can be installed either through CAPEX or RESCO mode by the implementing agency.

# Scheme Details in Brief: -

- Individual farmers having Grid Connected Agricultural Pumps will be supported to solarize the pumps.
- The solar power plant is connected to the nearby power line through a grossmeter to facilitate flow of solar power to the grid.
- > Solar Photo Voltaic (PV) Capacity up to two times the pump capacity in KW is allowed so as to get additional income by selling surplus power to DISCOM @3.60 & DISCOM will sell grid power to the farmer for irrigation in the usual tariff rate i.e. now @ Rs1.50/unit.
- ➤ Pani Panchayats/ Water user association (WUAs)/ Farmers Producers' Organizations (FPOs), Primary Agricultural Credit Societies (PACS) &Community/ Cluster-based Irrigation systems will also be supported under this scheme.
- Maintenance responsibility for the initial 5 years period has been vested in the Vendor and the maintenance cost has been built in to the project cost.
- ➤ The solar power plants will be installed by Vendors empaneled through a process of competitive bidding for the prices of different capacities of solar power plants.



## • Benefit to Farmers: -

- Additional income to Farmers by way of sale of excess renewable energy generated in the Solar System to DISCOM.
- > Utilization of Cheap renewable power to meet their own requirements i.e. reducing purchase cost of power.
- > Increasing reliability of power supply in day time.
- Reducing subsidy burden.

# Benefits to DISCOM/ GoO/ Gol: -

- > Augmenting Renewable Power.
- > Reduction of Input.
- Reduction of pilferage of Electricity in turn reducing AT & C loss.

# Nodal & Implementing Agency: -

- ➤ Directorate of Agriculture & Food Production under Dept. of Agriculture & Farmers Empowerment (DoA & FE), Odisha shall be Nodal Agency.
- DISCOM i.e. here TPSODL is the Implementing Agency.

## Pattern of Assistance: -

- ➤ MNRE. GoI shall provide 30% of share as Central Finance Assistance/Support (CFA/CFS).
- > DoA & FE, GoO shall provide 30% of share as State Finance Assistance (SFA).
- Farmers' share shall be 40% of the cost followed by 30% loan facility through DISCOM & the maximum allowable tenor of the loan would be 12 years and the maximum interest that can be charged by banks in 9%.

# • Pump & Solar PV capacities: -

- The subsidy (CFA/CFS) support will be limited to 7.5 HP capacity of Pumps only but pumps with higher capacities can also be solarized under the scheme.
- Various pump capacities & the corresponding capacities of Solar PV projects are given below

S/N	Capacity of Pumps (HP)	Corresponding Solar PV capacity (kW)
1	1	1.5
2	2	3.0
3	3	4.5
4	5	7.5
5	7.5	11.25

## Action taken on this Scheme by GoO: -

- > DoA & FE, GoO, has finalized the Draft Guidelines for implementation of PM-KUSUM C. The guidelines provide for A district level committee to be constituted under the chairmanship of the DMs for selection of farmers and overall monitoring of the programme at the district level.
- ➤ DoA & FE, GoO has made budget provision to the tune of Rs. 50.03 Cr. to meet the subsidy for Component C of PM-KUSUM C during supplementary budget of 2022-23

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- SOP on Implementation of the Scheme: -
  - > The Process should be purely transparent starting from Application processing up to Charging & Billing.
  - For installation of the solar power plant, the beneficiary is required to apply in the prescribed form (Annexure-II) to the local Section Head (JE)/SDO.
  - > JE/ SDO will shortlist the Applications of Farmers according to their payment behavior/ track record with regards to Electricity Bill i.e. regular paying consumers or having no dues with TPSODL will be given priority & then will submit those to Division Head.
  - > Division Head will share the prioritized list to District Administration & seek concurrence.
  - ➤ Then JE/ SDO will collect all required documents from the Approved Farmers followed by submission of Feasibility Report to Division Head observing all departmental formalities.
  - ➤ Division Head will put up the Applications to District Level Committee (DLC) which would have been constituted comprising the following members for approval of beneficiary list & monitor the implementation of the scheme.
    - 1. Collector & District Magistrate Chairman
    - 2. Chief District Agriculture Officer Member
    - 3. Executive Engr (Agriculture) Member
    - 4. Lead District Manager, NABARD Member
    - 5. Executive Engr (DISCOM) Member-Convenor.
  - After approval of DLC, Permission would be issued to carry out the installation work through an Empaneled Vendor if Farmer opts self-finance their own share.
  - ➤ If farmer opt for loan through DISCOM then Division Head will sponsor his application to the bank. After approval of loan, Permission would be issued to carry out the installation work through an Empaneled Vendor.
  - For purchase of surplus power from the project, Division Head will enter into a Power Purchase Agreement (PPA) (Annexure-I) with each farmer.
  - After completion of installation, project would be charged through Gross meter observing departmental all formalities after submission of Project Completion Report (PCR) (Annexure-III) by Empaneled Vendor.

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