

A.P. RENEWABLE ENERGY EXPORT POLICY 2020

Sl No.	Description	Policy
1.	Introduction	<ul style="list-style-type: none"> • This policy shall be called as “Andhra Pradesh Renewable Energy Export Policy, 2020” applicable to solar/wind/wind-solar hybrid projects. • Andhra Pradesh has significant potential each for Solar, Wind and Wind -Solar Hybrid generation. The state has ideal conditions for setting up Renewable Energy projects for export of energy to other states. • Huge extents of land exist in the state which can be effectively put to use by these energy export projects. • Various Government of India schemes such as Ultra Mega Renewable Energy Power Parks (UMREPPs) provide incentives for such renewable energy projects. • Andhra Pradesh has already achieved the Renewable Power Purchase Obligation (RPO) notified by the State Commission and also Ministry of Power, Government of India. • Taking into consideration the huge untapped potential and also availability of lands, the State Government in order to encourage, develop and promote renewable energy projects by investors for the purpose of energy export outside Andhra Pradesh without any obligation of procurement of power by State DISCOMs, decided to notify “Andhra Pradesh Renewable Energy Export Policy 2020”.
2	Definitions:	<p>“Land aggregating Agency” means an agency which aggregates government lands and/or private lands for the purpose of allotment to renewable energy project developers.</p> <p>“Park developer” mean an agency which develops necessary common infrastructure like approach roads, water supply pipelines, pooling substations etc. for enabling project developers to set up renewable energy plants on a plug-and-play basis.</p> <p>“project developer” means any company which develops a renewable energy plant for the purpose of selling the resultant energy.</p> <p>Words and expressions not defined here shall have the same meaning as defined under the Electricity Act, 2003 or the rules, regulations, policies, codes made under it.</p>
3.	Objectives	<p>To facilitate 120 GW renewable energy projects.</p> <ol style="list-style-type: none"> 1. To facilitate lease of 5 lakh acres of potential land in the state of Andhra Pradesh to renewable energy export project developers. 2. To attract private investments to the State and improve local economy. 3. To promote setting up of renewable energy equipment manufacturing facilities in the State. 4. To generate additional revenue to the State Government.
4.	Operative Period	The policy shall come into operation with effect from date of issuance and shall remain in force for five years .
5.	Project developer eligibility	All registered companies either in private sector or public sector.
6.	Utilisation of Power	<ol style="list-style-type: none"> 1) Export: The power generated from the projects set up under this policy shall be exported outside the State. 2) Open Access: In case of supply of this power within the state under Open Access, all charges levied by A.P. State Electricity Regulatory Commission shall also be paid; and all the connected regulations shall be complied with. No

		energy banking –hourly/ intra-day/ daily/ weekly/ monthly/ yearly – and drawal shall be allowed. All energy settlements shall be done on time block wise basis. Any injection of energy between synchronisation and declaration of Commercial Operations Date (CoD) shall be treated as inadvertent power and no cost shall be paid by any Distribution Company in the state.
7.	Resource allocation	<ol style="list-style-type: none"> 1) The allocation of renewable energy resource potential in any area to developers shall be done on a “first come first serve” basis by Nodal Agency by seeking online applications through a website. 2) Priority will be given for Project Developers intending to set up the energy export projects along with manufacturing facilities in the state.
8.	(a) Land facilitation to developer	<ol style="list-style-type: none"> 1) Land aggregating agency: Government through a land aggregating agency (NREDCAP or any other agency) will procure and aggregate government and private lands at potential locations for allotment to the project developers on lease basis. 2) Land facilitation: Land lease facilitation will be done by Nodal Agency to the permitted developers against payment of prescribed charges. 3) Lease Period: 30 years for Variable Renewable Energy Projects.
	(b) Remittances to Government	<ol style="list-style-type: none"> 1) Government lands. The land aggregating agency shall remit the entire amount of lease rentals to the Government Treasury as Miscellaneous receipts. 2) Private lands: The land aggregating agency shall remit Rs 6,000 / acre/ year with 5% escalation every 2 years to the Government treasury as Miscellaneous receipts.
9.	(a) Annual charges paid by developer	<ol style="list-style-type: none"> 1) Land lease charges paid by project developer to land aggregating agency: The land aggregating agency shall charge lease rentals of Rs 31,000 / acre/ year from the date of taking possession till completion of lease period. <ul style="list-style-type: none"> • Lease charges for the land taken for common purposes (roads, substations, etc) and for unusable land (high tension lines passing through the energy park etc.) will be loaded on pro-rata basis, developer wise. • Escalation: 5% every 2 years. 2) Green Energy Development Charges: Rs 1 lakh /MW of installed capacity/ year – for entire life of the project starting from the date of commissioning of 1st phase of the project. <ul style="list-style-type: none"> • Installed capacity will be assessed on AC or DC whichever is higher from time to time. • These charges are payable to State Government.
	(b) Annual charges paid for private lands	<ol style="list-style-type: none"> 3) Land lease charges paid by land aggregating agency to private land owners: The land aggregating agency shall pay Rs 25,000 / acre/ year for the aggregated private lands from the date of taking possession till completion of lease period. <ul style="list-style-type: none"> • Escalation: 5% every 2 years.
	(c) One time charges paid by project developer	<ol style="list-style-type: none"> 1) Local Area Development Fund (LADF): Rs 0.5 lakh per acre payable to park developer. 2) Park infrastructure development charges will be collected upfront from the power developer as per Detailed Project Report (DPR) estimates, after deducting Central Financial Assistance (CFA) if any. <ul style="list-style-type: none"> • Above two charges are paid by project developer in case the park development is done by the park developer. 3) One time processing fee: A onetime processing fee of Rs 2000 per acre shall be collected by Nodal Agency.

10.	Electricity Duty	Electricity Duty shall be paid as applicable.
11.	(a) Park Development	<ol style="list-style-type: none"> 1) Park developer: Any Government agency or the project developer may act as a park developer. 2) Park infrastructure: The infrastructure at the identified potential locations like land development, roads, water supply etc., will be developed by the park developer. Applicable Government schemes will also be tapped by the park developer for the purpose of park development. 3) Internal evacuation infrastructure: Inside the parks, internal evacuation infrastructure will be developed by the park developer. In case of other than parks, internal evacuation infrastructure will be developed by the project developer. 4) O&M: The O&M charges will be collected on per MW basis from the project developers by the park developer. Applicable Government schemes will also be tapped by the park developer for this purpose.
	(b) External evacuation infrastructure	<ol style="list-style-type: none"> 1) Connection to State Transmission Utility (STU) network: <ul style="list-style-type: none"> ○ Option 1: The project developer may connect to STU, by laying connecting line to the STU grid substation at his cost, and transferring the line asset to APTRANSCO prior to commissioning. Alternatively, the connecting line may be built by APTRANSCO at the cost of the developer if the developer so chooses. Developers using the Intra-State Transmission network shall pay for Transmission charges and losses as prescribed by APERC in the Transmission Tariff Order. ○ Option 2: The project developer(s) may bear the entire cost of existing or new external evacuation infrastructure including connecting line, grid substations and upstream network up to CTU. The construction of new network infrastructure shall be done under the supervision of APTRANSCO and the assets handed over to APTRANSCO before commissioning. The new network augmentation required for this purpose shall be determined by APTRANSCO. Developers opting for this option shall pay only the O&M charges as decided by APTRANSCO and the transmission charges shall be exempted for entire life of the project. There shall be no exemption on energy losses. 2) Connection to Central Transmission Utility (CTU) network: The project developers shall follow the procedure laid down by central agencies. All liabilities on account of connecting to CTU shall be borne by the Project Developer.
12.	GoAP Incentives	<ol style="list-style-type: none"> 1) For all the government and private lands transferred to the Land Aggregating Agency, land use conversion from “Agriculture” use to “Non-Agriculture” use shall be accorded by Government prior to land transfer. All lands leased from the Land Aggregating Agency can be used for Non-Agriculture purpose subject to remitting land use conversion fee by the Nodal Agency in the Government treasury by collecting from the respective Developers. No further change of land use permit shall be required for the lands transferred by Land Aggregating Agency to the Park Developer or the Project Developer. 2) Projects will be exempted from obtaining any NOC/Consent for establishment under pollution control laws from AP Pollution Control Board.

13.	Manufacturing	<p>The Government intends to promote Renewable Energy Manufacturing facilities that can contribute towards economic development of the state and create employment. The following additional incentives shall be applicable for New Manufacturing facilities, equipment and ancillaries related to renewable energy, setup in the state,</p> <ul style="list-style-type: none"> - Priority allotment of land on long term lease basis. - Exemption from payment of Electricity Duty for a period of 10 years from date of commencement of manufacturing activities. - Extending of incentives as per the prevailing Industrial Promotion Policies of the Government of A.P.
14.	Nodal Agency	<ol style="list-style-type: none"> 1) New and Renewable Energy Development Corporation of A.P. Ltd, (NREDCAP) shall act as a Nodal Agency under this policy. 2) The Nodal Agency shall be responsible for the following activities <ol style="list-style-type: none"> i. Allocation of wind/solar resources and giving permissions on first come first serve basis. ii. Coordination with MNRE/NTPC/SECI/AP TRANSCO, AP DISCOMs and other Central and State Agencies. iii. Facilitate land lease from the Land Aggregating Agency of Government. iv. Act as park developer if required.
15.	Interpretation	<ol style="list-style-type: none"> (1) If any conflict arises with existing policies, this policy shall take precedence over the earlier policies issued in the matter. (2) Energy Department is authorized to issue clarifications and interpret provisions for removing difficulties under this policy.

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