

## **12,000 MW CPSU phase-II Solar project scheme**

### **IREDA extends bid submission to 15<sup>th</sup> June**

Indian Renewable Energy Development Agency Ltd. (IREDA), a PSU under the Ministry of New & Renewable Energy (MNRE) has extended the bid submission date to 15<sup>th</sup> June for implementation of the Central Public Sector Undertaking (CPSU) scheme phase-II for setting up 12,000 MW grid-connected solar projects with viability gap funding (VGF). Earlier, the last date to submit the bids was 30<sup>th</sup> May. A VGF is provided to cover the cost difference between domestic and imported solar cells and modules. VGF will be released in two tranches.

The CPSUs are required to submit their responses by 15<sup>th</sup> June 2021 and the successful bidders are to be selected by 20<sup>th</sup> July. Earlier, MNRE had appointed IREDA as the implementing Agency for the scheme.

Under the scheme, the power produced by the government producers can be used on payment of mutually agreed usage charges of not more than Rs. 2.45/unit for self-use or use by Govt./ Govt. entities, either directly or through DISCOMS. The maximum permissible VGF is Rs. 55 lakh per megawatt. The actual VGF to the Govt producer will be decided through bidding process using the VGF amount as a bid parameter to select the project developer.

The maximum permissible VGF amount will be reviewed from time to time, by MNRE, and will be reduced if the cost difference comes down.

As part of central government's target to achieve a cumulative capacity of 100 GW Solar PV installation by the year 2022, IREDA had invited proposals on 29<sup>th</sup> January this year for setting up of Grid (including Mini & Micro Grid) Connected Solar PV projects anywhere in the country. This is to be done on "Build Own Operate" (B-O-O) basis for an aggregate capacity of 5,000 MW under Phase-II (Tranche-III).