

KUSUM C-2 Frequently Asked Questions

1 What is the PM-KUSUM scheme?

On March 2019, MNRE launched Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan Scheme (PM-KUSUM) Scheme for farmers vide 03 components - A, B and C. Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan (PM-KUSUM) Scheme for de-dieselization of farm sector and enhancing the income of farmers. Under the Scheme, central government subsidy up to 30% or 50% of the total cost is given for the installation of standalone solar pumps and also for the solarization of existing grid-connected agricultural pumps. Further, farmers can also install grid-connected solar power plants up to 2MW under the Scheme on their barren/fallow land and sell electrical to local DISCOM at a tariff determined by state regulator. This scheme is being implemented by the designated departments of the State Government.

Recently, MNRE issued comprehensive guidelines on dated 17.01.2024 with revised objective as below:

- Component A: Installation of 10,000 MW Decentralized Ground / Stilt Mounted Grid Connected Renewable Power Plants of individual plant size up to 2 MW.
- Component B: Installation of 14 lakhs standalone Solar Powered Ag. Pumps of individual pump capacity up to 7.5 HP
- Component C: Solarisation of 35 Lakhs Grid-connected Agricultural Pumps of individual pump capacity up to 7.5 HP including feeder level solarization.

2. Who are the key stakeholders under the scheme?

- **Beneficiaries / Project Developer:** Individual Farmers, Group of Farmers, Water User Associations, Cooperatives, panchayats, Farmer Producer Organizations (FPO), Primary Agriculture Credit Societies (PACS), Community/cluster-based irrigation system as beneficiaries.
- **Implementing Agency:** State Nodal Agencies, State Agriculture Department, DISCOMs,
- **Power Procurer:** UPPCL on behalf of DISCOM
- Financial Institutions for loan required for the scheme.

3. What is Component C of PM-KUSUM Scheme?

Under this Component, farmers can solarize their existing grid connected agriculture pumps of capacity up to 7.5 HP. Solar PV capacity up to two times of pump capacity in kW is allowed under the scheme. However, States may choose to allow lower solar PV capacity, which in no case will be less than pump capacity in HP. The farmer will be able to use the generated solar power to meet the irrigation needs and the excess solar power will be sold to DISCOMs.

Component C-2 of PM-KUSUM Scheme

Component C-2 is Feeder Level Solarisation, which states that all grid connected pumps connected across a particular feeder can be solarised through a single aggregate solar power plant of larger capacity, which is to be installed near respective substation. This feeder level solar plant will be responsible for supply of electricity to the agriculture pumps through the feeder.

4. How a farmer/farmers' group can be benefitted under the scheme?

Farmers/Farmers' group can increase their income by selling solar power to the DISCOM. The scheme enables the farmer to become a power seller.

5. Who all are eligible for under Component C2?

The following are eligible for feeder level solarization:

- Individual farmers,
- Group of farmers
- Joint Venture (JVs)
- Consortium
- Panchayat
- Cooperatives
- Farmer Producers Organization (FPO)
- RESCO developer

6. What is the RESCO model of implementation for feeder level solarization?

The RESCO model is the model where a Renewable Energy Service Company (RESCO) or a developer will setup the solar plant for feeder level solarization and sign a PPA with the DISCOM for supplying the solar power to DISCOM for 25 years at a fixed tariff discovered through competitive bidding process.

7. Is there any subsidy support available for this component?

Yes. Subsidy is available under the scheme as summarized below:

For setting up the solar powerplant, MNRE Govt. of India will provide a maximum Central Financial Assistance of Rs 1.05 lakh per MW and the State Government will provide Rs 50 lakh per MW via Viability Gap Funding (VGF), thus making a total grant of Rs 1.55 crore per MW.

8. Is there any restriction on type of land that can be registered under the scheme on the portal?

Any type of land can be registered under the scheme on the portal. However, it shall be responsibility of the farmer / landowner to offer land of clear title, free from litigation and any incumbrances. For any false information or legal issues arises at any later stage, the farmer / landowner shall be responsible, and no compensation / damages shall be paid by DISCOMs / Developers

9. Whether feeder level solarisation can be done in the feeders which are not separated and have mixed loads (domestic, agriculture, industrial etc.) connecting the equivalent capacity of solar plant to cater to the annual power requirement of the agriculture loads in that feeder by availing CFA?

Where agriculture feeders have already been separated the feeders may be solarised under the scheme. Feeders having major load for agriculture may also be considered for solarisation under the Scheme.

10. What are the benefit under this component?

Farmer will not have to depend on electricity supply for irrigation during daytime. Under Feeder level solarization farmers will be incentivized for consuming less units than the set benchmark which will enable them to save water.

11. Do I need to have metered connections for availing incentives under feeder level solarization?

Yes, metered connections will enable in calculating the number of units below the benchmark consumed by the farmers.

12. I don't have a mobile number. Shall I register through e-mail or mobile number of others?

Since, all relevant information and updated on scheme will be sent to the registered mobile number of the applicant, therefore, it is suggested that the applicant provide their correct mobile number and get the same verified through OTP for creation of login credentials.

13. Shall I provide the land for Solar Power Plant to the developer without signing land lease agreement?

No, execution of Bi-party Agreement (Landowner / farmer & Selected Developer) for the registered land on the portal is mandatory.

14. Is there any restriction on type of land that can be registered under the scheme on the portal?

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15. As a Solar PV Developer, what will be the Operating Model and Tariff for the solar power plant?

The solar plant will be based on RESCO Model and selection of developers by Discoms shall be carried through levelized tariff (for 25 years) based competitive bidding.

16. Who will verify the details submitted by farmers / landowners on the portal?

The UPNEDA will verify the land details filled by farmers / landowners along with their land registration application. However, the Developer shall be responsible for verification of land ownership / information submitted by farmer / landowner and check for any litigation / disputes / any other issue(s) prior to execution of land lease agreement.

17. Is there any restriction on number of times a land can be registered on the portal?

One land parcel / area can be registered against only one substation / plant location.

18. Where can I get more information about the Scheme?

For more information, please visit:

- <http://upnedakusumc2.in/>
- <https://upneda.org.in/>