

How Rooftop Solar Panel May Bring Power Bill Down To Zero

As Part Of 2024 Policy, Get Paid For Generating Electricity At Home: Kejriwal

SOLAR POWER: DELHI UPS THE GAME

DELHI SOLAR POLICY 2024

Target | Increase total installed solar capacity of Delhi to 4,500 MW by March 2027

- > This is 3 times of current capacity of 1,500 MW
- > Includes 750 MW of rooftop solar plants installations and 3,750 MW through utility scale solar plants installed outside Delhi by 2027

How it will help

- > Reduce air pollution
- > Help fight inflation by bringing down electricity bills

SPEND ₹570 crore



MANY FIRSTS IN THE POLICY

- > In a first, capital subsidy to residential consumers of ₹2,000 per kW of installation up to a maximum of ₹10,000 per consumer. This will be over and above capital subsidy of Centre
- > Community solar model to enable consumers who don't have suitable roof for installing a solar plant to access system installed at third-party location
- > Peer-to-peer trading to enable owners of solar energy systems to sell excess electricity in real time to other consumers in Delhi
- > Hybrid Resco model will allow even smaller consumers who don't have funds but have viable roof space to benefit from cheap solar energy
- > Out-of-state solar plants | Delhi to aggressively raise procurement of solar power from utility scale plants outside the city

OTHER KEY FEATURES

1 Generation-based incentives

- > For every unit of solar power generated, Delhi govt will offer a GBI of ₹3 for small rooftop plants (up to 3 kW) and ₹2 for larger plants (3 to 10kW)
- > Unlike in 2016 policy, no minimum generation mandated to receive GBI
- > Amount under GBI to be adjusted against monthly electricity bill of the consumer
- > Any excess amount to be deposited into consumer's bank account by Discom every month



> Earlier, GBI amount was transferred only twice a year

| Consumer Category & Rooftop Solar System Size (in kW) | GBI (₹/kWh) | Comparison with 2016 Solar policy |
|--|-------------|-----------------------------------|
| Residential, 1 kW to 3 kW | 3 | Increased from ₹2 earlier |
| Residential, 3 kW to 10 kW | 2 | Same as earlier |
| Group housing societies/ RWA | 2 | Same as earlier |
| Commercial and Industrial (for first 200 MW of installations in Delhi) | 1 | Introduced for first time |

2 Net metering

Suppose you consume 400 units and generate 100 units of solar power, you'll be billed only for 300 units. This allows consumers to benefit from reduced electricity bills

3 Rollover of excess energy units

After net metering, which happens every month, the excess solar units left will be rolled over into subsequent billing cycles for up to 12 mths (until close of every financial year)

4 Additional income

At the end of the year, if the solar power generated is more than the consumer's annual electricity demand, the consumer will earn money for the same from the discom

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New Delhi: Delhi government has finalised the new solar policy under which people installing solar panels on their rooftops will get more generation-based incentives (GBI) than the 2016 policy, capital subsidy and facility to sell the excess generated electricity in real time to other consumers in the capital.

Under the Delhi Solar Policy 2016, the consumers got Rs 2 per unit of solar energy conditional to generating 1,100 units per kw per annum. The new policy offers an increased Rs 3 per unit for small rooftop plants (up to 3 kW) and Rs 2 per unit for larger plants (3-10kW). The 2024 policy also does away with the riders of the earlier policy, leaving no conditions on minimum generation to receive GBI.

Announcing the policy, chief minister Arvind Kejriwal said, "The aim of Delhi Solar Policy 2024 is to reduce the

city's air pollution and help fight inflation by bringing the electricity bills of non-subsidised residential consumers to zero and for commercial or industrial consumers to 50% of their current bill."

The policy, passed by the cabinet, will now go to LG for approval. Under the new policy, all existing government buildings with a rooftop area bigger than 500sqm will have to mandatorily install solar plants within the next three years. Kejriwal estimated Delhi to have an installed solar capacity of 4500MW by 2027 after the implementation of the policy.

The CM explained, "Let us say a residential consumer's average monthly consumption is 360 units and the consumer installs a 2kW rooftop solar plant at an approximate cost of Rs 90,000 with taxes and subsidy included. The consumer will start getting zero electricity bill right away (saving Rs 1,370 per



KEJRIWAL SAYS

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month) as well as a GBI of approximately Rs 700 per month. This savings of Rs 2,000 per month, or Rs 24,000 per year, means the initial cost of Rs 90,000 will be recovered in four years."

He added, "After the four

years, the consumers will continue enjoying zero bill for the life of the solar panel, which is 25 years."

GBI will be adjusted against the monthly electricity bill of the consumer and any excess amount will be deposited into the consumer's bank account every month. This again is a change from the earlier policy under which incentives were transferred at half yearly periods.

Unlike the earlier policy, Delhi government this time will also give a capital subsidy to residential consumers of Rs 2,000 per kW of installation up to a maximum of Rs 10,000 per consumer. This will be over and above the capital subsidy offered by the central government, which, under the Rooftop Solar Programme Phase-II, provides Rs 14,588/kW for 3kW capacity and Rs 7,294/kW for a capacity of 3-10kW.

Also, while GBI wasn't available to commercial and industrial consumers earlier,

the new policy allows them GBI of Rs 1 per unit for the first 200MW of installation.

There are other firsts in the policy. The community solar model will enable consumers who do not have a suitable roof for installing a solar plant to be part of a community-owned solar system installed at a third-party location and still avail benefits like GBI and net-metering. Also, 'peer to peer' trading has been introduced to enable owners of solar energy systems to sell their excess generated electricity in real time to other consumers in Delhi via a P2P energy trading platform.

Leader of the Opposition in Delhi Assembly Ramvir Singh Bidhuri said there was nothing new in the new policy. "Other state governments are running similar schemes. When at the helm in MCD, BJP also encouraged solar plants atop schools," he claimed. "Kejriwal government should announce at least a 50% subsidy on the cost of solar panels."