

Annex to Order No. 44/01/2007-RE dated 05.01.2011

Amendments to Guidelines for Village Electrification through DDG under RGGVY

S. No.	Clause reference of DDG Guidelines	Existing provision	Proposed Amendment
1.	3.0 of DDG Guidelines	Decentralized Distributed Generation can be from conventional or Renewable sources such as Biomass, Biofuels, Biogas, Mini Hydro, Solar etc. for villages where grid connectivity is either not feasible or not cost effective	<p>The following lines are added after the existing provision:</p> <p>Those villages can also be considered which</p> <p>(i) are connected to the grid but have no electricity supply</p> <p>(ii) have un-electrified clusters.</p> <p>If the resource available for any technology in any particular village is higher than the demand of the village, then excess available capacity may be fed into the nearby grid. However, the amount of subsidy shall be limited to the project capacity required for feeding electricity to the remote villages, The cost of excess capacity and the cost of transmission system for feeding to the grid shall be borne by the Implementing Agency.</p>
2.	5.0 of DDG Guidelines	The DDG projects would be owned by State Govt. Implementing Agencies of the projects shall be either the State Renewable Energy Development Agencies (SREDAs)/ departments promoting renewable energy or State Utilities or the identified CPSUs. The State Governments will decide the implementing agency for their respective States.	<p>The following lines are added after the existing provision:</p> <p>State Governments can also decide more than one Implementing Agency in their State for electrifying the hamlets/villages.</p>

3.	10.2 (i) of DDG Guidelines	The list of villages/hamlets to be electrified through DDG is to be finalized by the State Renewable Energy Development Agency/departments promoting renewable energy in consultation with state utilities and MNRE.	The following are deleted: and MNRE (To be deleted).
4	13.3 of DDG Guidelines	The implementing agency will finalize the prioritized list of villages/hamlets to be electrified through DDG and get the DPRs made through the panel of consultants.	The following lines are added after the existing provision: Implementing Agencies may also prepare the DPRs themselves. The cost of preparation of the DPRs may be financed even in case the DPRs is not approved due to some reason. Reimbursement of the cost of DPRs for projects that do not get sanctioned would be taken upon a case to case basis, with the approval of Monitoring Committee.
5.	16.1 (iv) of DDG Guidelines	The reimbursement of gap between operation and maintenance cost and revenue recovery to the project developer (after adjusting the collected tariff) will be paid out of the service charges of Implementing Agencies (@ 8% for State Govts. and 9% for CPSUs). The second part of bid cannot exceed the service charges mentioned above. Only those state governments.....	The highlighted portion is replaced by the following: In case the gap exceeds 8% or 9%, the same may be funded out of the subsidy.
6.	16.1 (ii) of DDG Guidelines	Consultant while preparing DPR shall estimate the capacity of the project and shall also estimate the electricity load and energy required to be generated for five years from the date of commissioning. While computing the load, provision of 2 light points (11/18 W each)	The following lines are to be added after the existing provision: However, Implementing Agency shall have the option of considering a higher load also for each household.

		and one socket (40W) may be considered for each household.	
7.	16.2 (i) of DDG Guidelines	The selected project developer shall give 10% Contract Performance Guarantee in the form of Bank Guarantee of the total project cost as per 12.1 (a) valid for a period of 2 years which is to be renewed till 5 years plus 6 months from date of commissioning.	Contract Performance Guarantee value is reduced to 5% .
8.	16.2 (ix) (New clause)	No existing sub-clause.	The following is added from RGGVY Guidelines as a new sub-clause (ix) Fixed BPL connection charges shall be paid @ Rs. 2200/- as per rate prevailing in RGGVY.

Amendments to Format for Preparation of DPR for Village Electrification through DDG under RGGVY

1.	S.No. 6.6.8 Format for preparation of DPR	(g) Cost of power supply for each year (f-c)	Replaced by the following: (g) Cost of power supply for each year (c-f). (This cost is to be added to the project cost only when the cost of power supply as at (c) above is more than the revenue collection as at (f) above otherwise is to be considered as zero).
2.	Annexure-II, Format for preparation of DPR.	Para-2 This is to certify that the list of village(s) /hamlet(s) to be electrified through DDG have been finalized by the State Renewable Energy Development Agency/ departments promoting renewable energy in consultation with state utilities and Ministry of New and Renewable Energy . Please enclose documentary evidence.	Consultation with MNRE is deleted.

Amendments to Procurement Guidelines for Village Electrification through DDG under RGGVY

1.	Clause 1.1 of Part-1 Guidelines for Procurement of Goods and services for DDG under RGGVY	Purpose of these guidelines is to indicate the general principles and procedures, which except as REC may otherwise agree, shall be observed in carrying out procurement of goods and works for projects under 'Decentralized Distributed Generation (DDG) under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) in the XI Plan – Scheme of Rural Electricity Infrastructure and Household/Electrification.'.....	The following lines are added after the existing provision: However, Implementing Agency will have the option to following their own procurement guidelines and follow their own bid documents.....
2.	Clause 1.4 of Part-1 Guidelines for Procurement of Goods and Services for DDG under RGGVYAny procurement of goods and services for the project shall be eligible for financing through REC, if the same are procured in accordance with the above bidding procedure. The above bidding procedure has been prepared for implementation of the project in association with the CPSUs as may be desired by the State involving CPSUs total involvement in execution of the project.	The following lines are added after the existing provision: However, Implementing Agency will have the option to following their own procurement guidelines and follow their own bid documents.....