

Rewa Solar Power Project

July 10, 2020

The Prime Minister dedicated the 750 megawatt (MW) solar project at Rewa in Madhya Pradesh to the nation. Spread over 1,590 acres, it is a **joint venture of state-owned Solar Energy Corp. of India Ltd (SECI) and Madhya Pradesh Urja Vikas Nigam Ltd (MPUVNL).**

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This Project comprises **three solar generating units of 250 MW** each located on a 500 hectare plot of land situated inside the solar park. Central financial assistance of Rs. 138 crore has been provided to Rewa Ultra Mega Solar Limited (RUMSL) for development of the park. After the park had been developed, Mahindra Renewables Private Ltd., ACME Jaipur Solar Power Private Ltd., and Arinsun Clean Energy Private Ltd were selected by RUMSL through reverse auction for developing three solar generating units of 250 MW each inside the solar park.

The Rewa solar project is the first solar project in the country to **break the grid parity barrier.** Compared to prevailing solar project tariffs of approx. Rs.4.50/unit in early 2017, the Rewa project achieved historic results: a first year tariff of Rs.2.97/unit with a tariff escalation of Rs.0.05/unit over 15 years and a levelized rate of Rs.3.30/unit over the term of 25 years. This project will **reduce carbon emission equivalent to approx. 15 lakh ton of CO2 per year.**

Apart from signalling the first such bid on a large scale for India and marking the downward spiral in a game changing trend, Rewa project's success also comes from the **shared infrastructure approach** in terms of creating roads, water supply, drainage, telecommunications, pooling station, and transmission links; wherein the **financing was provided by the**

World Bank. International Finance Corp also provided debt funding to Mahindra Renewables Pvt. Ltd, Acme Group and global private equity fund Actis Llp to build the solar park.

The Rewa Project has been acknowledged in India and abroad for its **robust project structuring and innovations.** Its payment security mechanism for reducing risks to power developers has been recommended as a model to other States by MNRE. It has also received the **World Bank Group President's Award for innovation and excellence.** The project is also the **first renewable energy project to supply to an institutional customer outside the State,** i.e. Delhi Metro, which will get 24% of energy from the project with the remaining 76% being supplied to the State DISCOMs of Madhya Pradesh.

The Rewa Project also exemplifies India's commitment to attain the target of 175 GW of installed renewable energy capacity by the year 2022. **Clean energy projects now account for more than a fifth of India's installed power generation capacity.** India has 34.6 gigawatt (GW) of solar power, with an aim to have 100 GW of solar capacity by 2022.