

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy Dept. – Amendment to the Andhra Pradesh Integrated Clean Energy Policy, 2024 – Approved - Orders - Issued.

ENERGY (POWER-II) DEPARTMENT

G.O.Ms.No.4

Dated 12-01-2026

Read the following:

1. G.O.Ms.No.37, Energy (Power-II) Department, dated:30-10-2024.
2. From the Vice Chairman & Managing Director, New and Renewable Energy Development Corporation of Andhra Pradesh (NREDCAP), Lr. No. NREDCAP/APICE Policy 2024/2025, Dt. 01-12-2025

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O R D E R:

In the G.O. 1st read above, Government have notified the Andhra Pradesh Integrated Clean Energy Policy, 2024. This Policy shall be valid for a period of 5 years from the date of issue of the Policy notification. The Policy may be amended and modified during implementation and the Policy shall be applicable to the entire State.

2. In the reference 2nd read above, the Vice Chairman & Managing Director, New and Renewable Energy Development Corporation of Andhra Pradesh (NREDCAP) has proposed certain amendments to the AP Integrated Clean Energy Policy 2024 to address implementation challenges and align with evolving regulatory and technological developments.

3. Government, after careful examination of the matter, here by approve the proposed amendments to the Andhra Pradesh Integrated Clean Energy Policy, 2024 as detailed in the Annexure appended to this G.O.

4. The Chairman & Managing Directors, APEPDCL/APCPDCL/APSPDCL (Visakhapatnam / Vijayawada / Tirupati) and the Vice Chairman & Managing Director, New and Renewable Energy Development Corporation of Andhra Pradesh (NREDCAP), the Chairman & Managing Director, Andhra Pradesh Solar Power Corporation Limited, Tadepalli, Guntur District shall take necessary action accordingly.

5. This order issues with the concurrence of Finance Department vide their U.O.No.FIN01-FMU0ASD (IIE)/60/2025-FMU-IC-IIE Computer No.3031397, dated: 11-12-2025.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K. VIJAYANAND
SPECIAL CHIEF SECRETARY TO GOVERNMENT(FAC)

To

The Vice Chairman & Managing Director, NREDCAP, Tadepalli.

The Chairman & Managing Director, APTRANSCO, Vidyuth Soudha, Vijayawada.

The Managing Director, Andhra Pradesh Power Generation Corporation Limited, Vijayawada.

The Chairman & Managing Director, Andhra Pradesh Solar Power Corporation Limited, Tadepalli, Guntur District.

The Chairman & Managing Director, APSPDCL, Tirupati.

The Chairman & Managing Director, APCPDCL, Vijayawada.

The Chairman & Managing Director, APEPDCL, Visakhapatnam.

The Special Chief Secretary to Govt., Revenue Department.

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The Special Chief Secretary to Govt., Finance Department.
The Secretary to Govt., Industries & Commerce Department.
The Special Chief Secretary to Govt., Water Resources Department.

Copy to:

The Chairman & Managing Director, APTRANSCO, Vijayawada.
The P.S to Secretary to Hon'ble C.M.
The P.S. to Hon'ble Minister for Energy.
The P.S. to Principal Secretary to Govt., Finance Department.
The P.S to Special Chief Secretary to Govt., Energy Department.
The Secretary, Ministry of New & Renewable Energy (MNRE), GoI, New Delhi.
The Secretary, Ministry of Power, Gol, New Delhi.
The G.A (Cabinet) Dept.,
SF/ SCs (Computer No. 3060057)

// FORWARDED :: BY ORDER//

R. Vijay Kishore
SECTION OFFICER..

Annexure to G.O.Ms.No.4, Energy (Power-II) Dept., Dt: 12-01-2026

Statement shown the amendments to the Andhra Pradesh Integrated Clean Energy Policy, 2024

Sl. No	Section/ Clause	Existing Provision in the Annexure to G.O.Ms.No.37, Energy (Power-II) Department, Dt.30/10/2024	Amendment
1	2. Definitions	<p>Advanced Biofuels means</p> <p>1. Produced from lignocelluloses feedstocks (i.e., agricultural and forestry residues, e.g., rice & wheat straw/corn cobs & Stover/ bagasse, woody biomass), non-food energy crops (i.e., grass, algae), animal dung or industrial waste and residue streams, or any combination of above feedstock.</p> <p>2. Having low CO₂ emission or high GHG reduction and do not compete with food crops for land use. Fuels such as Second Generation (2G) Ethanol, non-edible tree borne oils, short gestation non-edible oil rich crops; green diesel from renewable sources and Industrial waste, bio fuels produced from synthesis (syn) gas, drop-in fuels from renewable sources and industrial waste, algae based 3G bio fuels, halophytes-based bio-fuels, bio-CNG, bio-methanol derived from black liquor and paper pulp, Di Methyl Ether (DME) derived from bio-methanol, bio-hydrogen, drop-in-fuels from MSW resource/feedstock material.</p>	<p>Advanced Biofuels means</p> <p>1. Produced from 2G lignocelluloses feedstocks (i.e., agricultural and forestry residues, e.g., rice & wheat straw/corn cobs & Stover/ bagasse, woody biomass), non-food energy crops (i.e., grass, algae), animal dung or industrial waste and residue streams, or any combination of above feedstock.</p> <p>2. Having low CO₂ emission or high GHG reduction and do not compete with food crops for land use. Fuels such as Second Generation (2G) Ethanol, non-edible tree borne oils, short gestation non-edible oil rich crops; green diesel from renewable sources and Industrial waste, bio fuels produced from synthesis (syn) gas, drop-in fuels from renewable sources and industrial waste, algae based 3G bio fuels, halophytes-based bio-fuels, bio-CNG, bio-methanol & SAF (Sustainable Aviation Fuel) derived from biomass, black liquor, paper pulp or Biogenic CO₂, Di Methyl Ether (DME) derived from bio-methanol, bio-hydrogen, drop-in-fuels from MSW resource/feedstock material.</p>

Sl. No	Section/ Clause	Existing Provision in the Annexure to G.O.Ms.No.37, Energy (Power-II) Department, Dt.30/10/2024	Amendment
		resource/feedstock material.	
2	2. Definitions	Green Hydrogen& its derivatives shall be Green Hydrogen, Green Ammonia, and Green Methanol or any fuel derived from Green Hydrogen, which are produced by the process of electrolysis using renewable energy and by conversion of Biomass using pyrolysis of biogas or other biomass products. Renewable energy also includes such electricity generated from renewable sources which is stored in an energy storage system or banked with the grid in accordance with applicable regulations.	Green Hydrogen & its derivatives shall be Green Hydrogen, Green Ammonia, and Green Methanol or any fuel derived from Green Hydrogen, which are produced by the process of electrolysis using renewable energy and by conversion of Biomass using Gasification/Pyrolysis or reforming of Biogas or Biogenic CO2 . Renewable energy also includes such electricity generated from renewable sources which is stored in an energy storage system or banked with the grid in accordance with applicable regulations.
3	2. Definitions		<p>“Affiliate” means, in relation to any specified entity,</p> <p>(a) the ownership, directly or indirectly, of more than 51% of the voting shares of such entity; and</p> <p>(b) the power, directly or indirectly, to direct or influence the management and policies of such entity by operation of law, contract or otherwise.</p>
4	Clause 17.1 Project/SPV Transfer/Name Change	a. The policy provides for Project/SPV transfers/name change of a project with approval from SIPC, SIPB, and Government of Andhra Pradesh. The transferee shall meet the eligibility criteria as per clause 5.2 of this policy. Such transfer shall be allowed for only one time for	a. The policy provides for Project transfers/name change of a project with approval from SIPC, SIPB, and Government of Andhra Pradesh. However, the SPV transfer of a project shall be permitted with the approval of NREDCAP . The transferee shall meet the eligibility criteria as per clause 5.2 of this policy. Such transfer shall be allowed for only one time for Project/SPV transfer in part or full capacity to any other

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		<p>Project/SPV transfer in part or full capacity to any other party(ies) before the commissioning of the project, along with the resources including land, connectivity (STU) and any other approvals already in place, as applicable.</p> <p>Project/SPV transfer in part/full capacity shall be allowed for multiple times to 100% subsidiary(ies)/parent entity at any stage of the Project. Project developer shall seek name change of the Project/SPV for part/full capacity. The Project/SPV transfer shall be applicable for all the Clean Energy Projects covered under the policy.</p> <p>b. Applicable transfer fee/name change fee as per clause 17.11 shall be payable for each such transfer/name change.</p>	<p>party(ies) before the commissioning of the project, along with the resources including land, connectivity (STU) and any other approvals already in place, as applicable.</p> <p>b. Project/SPV transfer in part/full capacity shall be allowed for multiple times to 100% subsidiary(ies)/parent entity/ Affiliate at any stage of the Project by NREDCAP without any levy of Transfer Fee. Provided that the Affiliate possess the necessary technical and financial capabilities to execute the project. Further, the original allottee company shall have a "step-in" obligation if the Affiliate fails to meet the obligations set forth in this policy.</p> <p>c. The technical and financial credentials of an Affiliate/subsidiary(ies)/parent entity may be considered for the purpose of meeting the eligibility criteria stipulated under this Policy.</p> <p>d. Project developer shall seek name change of the Project/SPV for part/full capacity. The Project/SPV transfer shall be applicable for all the Clean Energy Projects covered under the policy.</p> <p>e. Applicable transfer fee/name change fee as per clause 17.11 shall be payable for each such transfer/name change.</p>
5	Clause 17.11 Summary of Fees and Charges	Transfer/ Name Change fee** <p>**SNA will examine and submit the proposals with recommendations to Energy department. Thereafter, the Energy department shall</p>	Transfer/ Name Change fee** <p>**SNA will examine and submit the proposals with recommendations to Energy department. Thereafter, the Energy department shall place the proposals before SIPC, SIPB and GoAP to seek approval. The final decision to approve any</p>

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		<p>place the proposals before SIPC, SIPB and GoAP to seek approval. The final decision to approve any such requests will rest with the Government of Andhra Pradesh.</p>	<p>such requests will rest with the Government of Andhra Pradesh.</p> <p>Project/SPV transfer in part/full capacity shall be allowed for multiple times to 100% subsidiary(ies)/ parent entity/ Affiliate at any stage of the Project by NREDCAP without any levy of Transfer Fee.</p> <p>Further, in case of Transfer/ Name Change of the project, NREDCAP will allow it after one year of commissioning. A fee of INR 25,000/MW shall be levied, subject to a ceiling of INR 5,00,000.</p>
6	Clause 5.6 Fees and Charges	<p>d. The Performance Bank Guarantee shall be submitted by the Developer from the date of Resource Allocation / LOA and shall be kept with SNA until COD of the project. Additionally, the PBG shall be extended on a case-to-case basis upon confirmation by SNA as per the project extensions granted from time to time.</p> <p>e. The Performance Bank Guarantee shall be returned to the Project developer after commissioning of the project. In case part capacity is commissioned, the proportionate Performance Bank Guarantee may be returned.</p>	<p>d. The Performance Bank Guarantee or Insurance Surety Bond shall be submitted by the Developer from the date of Resource Allocation / LOA and shall be kept with SNA until COD of the project. Additionally, the PBG or Insurance Surety Bond shall be extended on a case-to-case basis upon confirmation by SNA as per the project extensions granted from time to time.</p> <p>e. The Performance Bank Guarantee or Insurance Surety Bond shall be returned to the Project developer after commissioning of the project. In case part capacity is commissioned, the proportionate Performance Bank Guarantee may be returned.</p>
7	17.3 Project Timelines	<p>k. In case part capacity is commissioned within the overall allowed time period, the remaining capacity will be cancelled, and the Performance Bank Guarantee of</p>	<p>k. In case part capacity is commissioned within the overall allowed time period, the remaining capacity will be cancelled, and the Performance Bank Guarantee or Insurance Surety Bond of uncommissioned capacity will be en cashed /forfeited.</p>

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		uncommissioned capacity will be encashed /forfeited. <p>1. Government of Andhra Pradesh/NREDCAP will cancel the project allotment and will encash/forfeit the Performance Bank Guarantee if the project is not commissioned as per the stipulated timelines.</p>	1. Government of Andhra Pradesh/NREDCAP will cancel the project allotment and will encash/forfeit the Performance Bank Guarantee or Insurance Surety Bond if the project is not commissioned as per the stipulated timelines.
8	2. Definitions		Insurance Surety Bond shall mean the irrevocable surety bond from Insurer as per the guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI).
9	Clause 17.3 Project Timelines		<p>New clause addition</p> <p>n. In cases where project commissioning is delayed solely due to delay in readiness of grid connectivity and evacuation infrastructure, above shall be treated as delay beyond the control of the developer. The time extension of the scheduled COD shall be granted on case-to-case basis without any additional fees. The land lease tenure shall also be extended accordingly for the same duration. This shall be applicable for all the Clean Energy Projects covered under the policy.</p> <p>o. For PSP projects proposed on forest land or in regions governed by the Panchayats (Extension to Scheduled Areas) Act (PESA), where delays occur due to challenges in land acquisition, surveys, statutory clearances, or other pre-operative activities, an extension of</p>

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			the Scheduled COD may be granted without levy of any fee(s). In such cases, the developer shall submit a formal application along with detailed justification. NREDCAP shall evaluate and approve such requests on a case-to-case basis.
10	Clause 17.11 Summary of Fees and Charges 11.Land Lease Charges (Rev/ Govt./ Pvt/ Patta land) (Annually)	BESS- NA	BESS - INR 31,000/ Acre /Year @5% escalation every 2 years
11	Clause 5.1 Operating Period and Policy Scope	All Clean Energy Projects and RE Manufacturing Projects availing incentives under this policy shall not be eligible for any incentives under the AP Industrial Development Policy (IDP) or other policies issued by GoAP.	All Clean Energy Projects and RE Manufacturing Projects availing incentives under this policy shall not be eligible for any incentives under the AP Industrial Development Policy (IDP) or other policies issued by GoAP.
12	Clause 5.14 Statutory Clearances	All the Clean Energy Projects (except PSP, Mini & Small Hydro projects) shall be exempted from obtaining any NOC/Consent for establishment under pollution control laws from AP Pollution Control Board.	All the Clean Energy Projects (except Green Hydrogen , PSP, Mini & Small Hydro projects) shall be exempted from obtaining any NOC/Consent for establishment under pollution control laws from AP Pollution Control Board.
13	Clause Land Facilitation, Power Evacuation and Allotment	c. Government/ Revenue/ Concerned department to allot the land to the Developer on alienation basis for lease up to a maximum of 30 years (33 years in case of PSP, Mini and Small Hydro Projects) and further extendable to a later stage, including the construction period. The land allotment shall be done as per the existing	c. Government/ Revenue/ Concerned department to allot the land to the Developer on alienation basis for lease up to a maximum of 30 years (46years in case of PSP, Mini and Small Hydro Projects) and further extendable to a later stage, including the construction period. The land allotment shall be done as per the existing

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		later stage, including the construction period. The land allotment shall be done as per the existing Andhra Pradesh Land Allotment Policy 2012 or any other GoAP directions and its amendments from time to time.	Andhra Pradesh Land Allotment Policy 2012 or any other GoAP directions and its amendments from time to time.
14	6.2.1 Incentives& applicable charges for all solar power projects	f. SGST on SRT projects GoAP shall provide reimbursement of 100% SGST on SRT projects implemented for domestic/residential consumers or any government buildings under PM Surya Ghar scheme. This shall be paid in addition to any support provided by GoI under its schemes.	Deleted
15	Clause 10.1.1 Incentives for producers of Green Hydrogen & its derivatives a. Capital Subsidy (i) Capital Subsidy for Electrolyzer-based Green Hydrogen Projects on Electrolyzer	Capital Subsidy for Electrolyzer-based Green Hydrogen Projects on Electrolyzer Capital subsidy of 25% only on plant and equipment costs of Electrolyzer stack, subject to a maximum of INR 1 Cr. per MW or INR 1 Cr. per 1,400 TPA shall be paid to the Developer over a period of five (5) years post commissioning of the plant. The subsidy shall be eligible only for plants with minimum capacity of 150 KTPA of Green Hydrogen and applicable only for first 10 plants or up to 1.5 MTPA capacity whichever is achieved first.	Capital Subsidy for Electrolyzer-based Green Hydrogen Projects on Electrolyzer Capital subsidy of 25% only on plant and equipment costs of Electrolyzer stack, subject to a maximum of INR 1 Cr. per MW or INR 1 Cr. per 140 TPA shall be paid to the Developer over a period of five (5) years post commissioning of the plant. The subsidy shall be eligible only for plants with minimum capacity of 50 KTPA of Green Hydrogen and applicable only for first 10 plants or up to 1.5 MTPA capacity whichever is achieved first.

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16	Clause 14.1.1 Incentives for Electric Vehicles Charging Infrastructure (EVCI) projects	b. Capital Subsidy <ul style="list-style-type: none"> i. State Corporations, Dist. Headquarters, Private commercial buildings /apartments /societies (>500 flats/ houses) - 1,000 no's 	b. Capital Subsidy <ul style="list-style-type: none"> i. State Corporations, Dist. Headquarters, Private commercial buildings /apartments /societies (>250 flats/ houses) - 1,000 no's
17	17.3 Project Timelines	Scheduled COD timeline from the allotment (T0)	Scheduled COD timeline from the allotment (T0)
		<p>Solar – 24 Months Wind – 24 Months Solar – Wind Hybrid – 24 Months</p>	<p>Solar – 24 months, where the capacity allotted to the Developer is not more than 1,000 MW; 30 Months, where the capacity allotted to the Developer is more than 1,000 MW</p>
			<p>Wind – 24 months, where the capacity allotted to the Developer is not more than 1,000 MW; 30 Months, where the capacity allotted to the Developer is more than 1,000 MW</p>
18	17.3 Project Timelines	Pumped Hydro Storage	Pumped Hydro Storage
		<p>Financial Closure (FC)⁵ from the allotment (T0) – 12 months</p>	<p>Financial Closure (FC)⁵ from the allotment (T0) – 24 months</p>
		<p>Scheduled COD timeline from the allotment (T0) – 48 Months</p>	<p>Scheduled COD timeline from the allotment (T0) – 72 Months</p>
19	17.12 Timelines of Clean Energy Projects (Solar, Wind, Hybrid Projects)	<p>b4 - Scheduled COD of the Project – 24 months</p>	<p>b4 - 24 months, where the capacity allotted to the Developer is not more than 1,000 MW; 30 Months, where the capacity allotted to the Developer is more than 1,000 MW</p>

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20	17.12 Timelines of Clean Energy Projects (PSP)	<p>a7 - Financial Closure (Letter or in principle approval from banker/ Banker consortium to be submitted SNA – 12 months</p> <p>b4 - Scheduled COD of the Project – 48 months</p>	<p>a7 - Financial Closure (Letter or in principle approval from banker/ Banker consortium to be submitted SNA) – 24 months</p> <p>b4 - Scheduled COD of the Project – 72 months</p>

K. VIJAYANAND
SPECIAL CHIEF SECRETARY TO GOVERNMENT(FAC)