

**No. 23/02/2022-R&R**  
**Government of India**  
**Ministry of Power**

Shram Shakti Bhawan, Rafi Marg,  
New Delhi, 17<sup>th</sup> February, 2022

To,

1. Secretary, MNRE, Govt. of India, New Delhi,
2. Secretary, Ministry Of Ports, Shipping And Waterways, Govt. of India, New Delhi
3. Secretary, Ministry of Petroleum and Natural Gas
4. Secretary, Dept. of Science & Technology, Govt. of India, New Delhi
5. Secretary, Ministry of Heavy Industries, Govt. of India, New Delhi
6. The Chairperson, Central Electricity Authority, Sewa Bhavan, R.K. Puram, New Delhi
7. The Secretary, Central Electricity Regulatory Commission (CERC), New Delhi
8. Principal Secretaries/Secretaries (Power/Energy) of all State Governments/UTs
9. Secretaries of All State Electricity Regulatory Commissions/JERCs.
10. Chairman/CMDs of all PSUs under administrative control of Ministry of Power/MNRE
11. Chairman/CMDs of all PSUs under administrative control of Ministry of Petroleum and Natural Gas
12. Chairman/CMDs of all PSUs under administrative control of Dept. of Science & Technology
13. CMD, SECI, New Delhi
14. CMDs/MDs of Discoms/Gencos of all State Governments
15. CMD, IEX LTD New Delhi & MD/CEO, PXIL , Mumbai
16. DG, Association of Power Producers, New Delhi.
17. President, FICCI, House No. 1, Tansen Marg New Delhi
18. President, CII, New Delhi
19. President, PHDCCI, New Delhi
20. ASSOCHAM, Chanakyapuri, New Delhi
21. Member, PRAYAS Energy Group, Pune
22. DG, Electric Power Transmission Association (EPTA), New Delhi
23. Chairman Indian Wind Power Association, New Delhi
24. Chairman, Indian Wind Turbine Manufacturers Association, New Delhi
25. Director General, National Solar Energy Federation of India (NSEFI), New Delhi.

**Subject: Green Hydrogen Policy - regarding.**

Sir/Madam,

Hon'ble Prime Minister launched the National Hydrogen Mission on India's 75th Independence Day (i.e. 15th August, 2021). The Mission aims to aid the government in meeting its climate targets and making India a green hydrogen hub.

2. In line with the above announcements, a Green Hydrogen Policy have been framed by Government of India for compliance/implementation by all the concerned stakeholders.

3. The Green Hydrogen Policy provides as under:

*There is an increased consensus around the world that concerted steps need to be taken to reduce global warming to levels less than 2° C and if possible to cap it at 1.5° C higher than pre-industrial levels. Various countries have pledged their Nationally Determined Contributions in order to ensure energy transition and reduce emissions. Most large economies including India have committed to net zero targets. Transition to Green Hydrogen and Green Ammonia is one of the major requirements for reduction of emissions, especially in the hard to abate sectors. Government of India have had under consideration a number of policy measures in order to facilitate the transition from fossil fuel / fossil fuel based feed stocks to Green Hydrogen / Green Ammonia both as energy carriers and as chemical feed stock for different sectors. After careful consideration, the Government of India have decided as follows:*

- 1. Green Hydrogen / Green Ammonia shall be defined as Hydrogen / Ammonia produced by way of electrolysis of water using Renewable Energy; including Renewable Energy which has been banked and the Hydrogen/Ammonia produced from biomass.*
- 2. The waiver of inter-state transmission charges shall be granted for a period of 25 years to the producer of Green Hydrogen and Green Ammonia from the projects commissioned before 30<sup>th</sup> June 2025.*
- 3. Green Hydrogen / Green Ammonia can be manufactured by a developer by using Renewable Energy from a co-located Renewable Energy plant, or sourced from a remotely located Renewable Energy plants, whether set up by the same developer, or a third party or procured renewable energy from the Power Exchange. Green Hydrogen/Green Ammonia plants will be granted Open Access for sourcing of Renewable Energy within 15 days of receipt of application complete in all respects. The Open Access charges shall be in accordance with Rules as laid down.*
- 4. Banking shall be permitted for a period of 30 days for Renewable Energy used for making Green Hydrogen / Green Ammonia.*
- 5. The charges for banking shall be as fixed by the State Commission which shall not be more than the cost differential between the average tariff of renewable energy bought by the distribution licensee during the previous year and the average market clearing price (MCP) in the Day Ahead Market (DAM) during the month in which the Renewable Energy has been banked.*
- 6. Connectivity, at the generation end and the Green Hydrogen / Green Ammonia manufacturing end, to the ISTS for Renewable Energy capacity set up for the purpose of manufacturing Green Hydrogen / Green Ammonia shall be granted on priority under the Electricity (Transmission system planning, development and recovery of Inter State Transmission charges) Rules 2021.*
- 7. Land in Renewable Energy Parks can be allotted for the manufacture of Green Hydrogen / Green Ammonia.*
- 8. The Government of India proposes to set up Manufacturing Zones. Green Hydrogen / Green Ammonia production plant can be set up in any of the Manufacturing Zones.*
- 9. Manufacturers of Green Hydrogen / Green Ammonia shall be allowed to set up bunkers near Ports for storage of Green Ammonia for export / use by shipping. The land for the storage purpose shall be provided by the respective Port Authorities at applicable charges.*
- 10. Renewable Energy consumed for the production of Green Hydrogen / Green Ammonia shall count towards RPO compliance of the consuming entity. The renewable energy consumed beyond obligation of the producer shall count towards RPO compliance of the DISCOM in whose area the project is located.*



11. *Distribution licensees may also procure and supply Renewable Energy to the manufacturers of Green Hydrogen / Green Ammonia in their States. In such cases, the Distribution licensee shall only charge the cost of procurement as well as the wheeling charges and a small margin as determined by the State Commission.*
  12. *Ministry of New and Renewable Energy(MNRE) will establish a single portal for all statutory clearances and permissions required for manufacture, transportation, storage and distribution of Green Hydrogen / Green Ammonia. The concerned agencies/authorities will be requested to provide the clearances and permissions in a time-bound manner, preferably within a period of 30 days from the date of application.*
  13. *In order to achieve competitive prices, MNRE may aggregate demand from different sectors and have consolidated bids conducted for procurement of Green Hydrogen/Green Ammonia through any of the designated implementing agencies.*
3. This issues with the approval of Competent Authority.

Yours faithfully



(Ghanshyam Prasad)  
Joint Secretary to the Govt. of India  
Ph: 011-2371 0389

**Copy for information to:** PS to Hon'ble Minister for Power and NRE, Sr. PPS to Secy.(P), Sr. PPS to JS (R&R), Ministry of Power.

**Copy to:** Technical Director, NIC Cell for uploading on MOP's website under "Current Notices" with the heading of "**Green Hydrogen Policy**".