



Banking, Wheeling and Open Access Solar Tariffs in India: 2026 CFO Guide

By Sudarshan Karweer · 25 August 2026 · growthifye.com

A 2026 guide to banking, wheeling, CSS, AS, RPO and landed cost economics for open access solar and wind in India.

India's open access market in 2026 is no longer just a choice between third-party and group captive structures. For most commercial and industrial consumers, the real decision now turns on landed cost after banking rules, wheeling and transmission charges, cross-subsidy surcharge, additional surcharge, scheduling obligations, and state-specific treatment of renewable purchase obligations. A project that appears cheaper on a headline tariff can become more expensive than grid supply once these variables are applied. Equally, a slightly higher base tariff can still deliver better savings if the state permits monthly banking, lower banking charges, or cleaner treatment of demand mismatch.

This article focuses on the operating economics of open access renewable procurement in India in 2026, with a practitioner lens on solar, wind and hybrid supply for C&I buyers. It is intended for energy consumers, developers, lenders, utilities and policymakers who need a rigorous understanding of what actually determines delivered power cost.

Why landed cost matters more than headline PPA tariff in 2026

In boardroom discussions, open access proposals are still often compared on a single number: the PPA tariff in Rs/kWh. That approach is incomplete. For a C&I buyer evaluating interstate or intrastate renewable power, the relevant metric is landed cost at the consumer meter, adjusted for profile fit and residual grid dependence.

A typical landed cost stack in 2026 can include:

- Generator tariff under the PPA
- State transmission charges, where applicable
- State transmission losses
- Wheeling charges
- Wheeling losses
- Cross-subsidy surcharge or CSS
- Additional surcharge or AS
- SLDC charges and scheduling fees
- Banking charges
- Deemed drawal, standby or imbalance cost in some states
- Forecasting and scheduling penalties for certain structures
- Electricity duty impact, if any
- Metering and open access application costs

For many HT industrial consumers, the range between quoted tariff and actual delivered cost remains substantial. As an illustration, a solar PPA quoted at Rs 3.10-3.60/kWh may land at Rs 4.20-6.00/kWh depending on state, connectivity point, banking regime and whether CSS/AS applies. Wind and hybrid



structures may show different landed cost outcomes because better evening output can reduce expensive grid drawal during peak periods.

The practical lesson is straightforward: CFOs should ask for a full landed cost model by time block, not just a tariff sheet.

The 2026 charge stack: what buyers must model before signing

The charge stack is increasingly dynamic across states. Several states revised banking and open access charge orders between 2024 and 2026, while central policy continues to push market access and renewable integration under the Green Energy Open Access framework. Yet implementation remains state-specific.

Here is how the main components affect economics:

- **CSS:** For non-captive third-party procurement, CSS remains one of the biggest determinants of viability. In many industrial states, CSS can add roughly Rs 0.80-2.50/kWh depending on consumer category and voltage level.
- **Additional surcharge:** AS is typically applicable where discoms claim stranded fixed-cost recovery. In some states this can add another Rs 0.30-1.50/kWh, though treatment differs for renewable open access and by contract demand profile.
- **Wheeling charges:** Commonly range around Rs 0.20-1.50/kWh equivalent, or can be levied in Rs/kVA/month form depending on the order.
- **Transmission charges:** Intrastate charges vary materially; interstate ISTS treatment depends on project type, commissioning timeline and regulatory framework applicable to the generator.
- **Losses:** Transmission and wheeling losses together can materially affect effective procurement cost. A nominal 5-10% loss stack translates into a meaningful increase in effective unit cost.
- **Banking charges:** In some states these are levied as a percentage of banked energy, often around 6-10%, while others use monetary charges per unit banked.
- **Scheduling and SLDC charges:** Smaller in unit terms, but still relevant in portfolio modelling, especially for multi-site supply.

To see the impact, consider a simplified example for a 10 MW equivalent C&I solar open access procurement in an industrial state:

- Base solar tariff: Rs 3.25/kWh
- Wheeling and transmission charges: Rs 0.55/kWh
- CSS: Rs 1.40/kWh
- AS: Rs 0.60/kWh
- SLDC and other admin: Rs 0.05/kWh
- Banking impact after netting: Rs 0.30/kWh
- Loss adjustment equivalent: Rs 0.35/kWh

Delivered cost becomes roughly Rs 6.50/kWh before considering profile mismatch. If the buyer's alternative grid variable-plus-demand adjusted cost is Rs 7.80-9.20/kWh, the savings still work. But if the consumer is in a lower-tariff category or has poor consumption overlap with solar generation, the business case tightens sharply.

Banking is now the swing factor for open access economics



In 2026, banking rules are often more decisive than the nominal PPA tariff. Monthly banking can materially improve value for daytime-interrupted industrial loads, while restrictive banking windows can erode savings even when energy charges look attractive.

The key banking variables to examine are:

- Whether banking is permitted for solar, wind, hybrid or only certain technologies
- Banking period: monthly, billing-cycle, annual or restricted carry-forward
- Banking charge: percentage of banked energy or Rs/kWh fee
- Settlement hierarchy: whether banked energy offsets peak, normal and off-peak equally
- Expiry treatment: whether unused banked units lapse without compensation
- Time-of-day treatment: whether solar injected in daytime can offset evening demand
- Exemptions or differentiated treatment for captive versus third-party users

For solar-heavy procurement, restrictive banking particularly hurts consumers with variable daytime operations, weekend shutdowns, or lower Sunday demand. In contrast, wind-solar hybrid and firmed renewable structures can reduce dependence on banking by naturally flattening the generation profile.

A practical rule for 2026 screening is this:

- If monthly banking is available with moderate charges, pure solar open access can remain highly competitive for many C&I loads.
- If banking is restricted or expensive, hybrid supply often outperforms pure solar despite a higher headline tariff.
- If neither banking nor profile fit is favourable, on-site captive, behind-the-meter systems, or a portfolio mix with market purchases may be more efficient.

For lenders, banking uncertainty affects debt sizing because cash flow volatility rises when generation cannot be fully monetised. For developers, this means that project bankability increasingly depends on contracting strategy and state-level offtake mix, not only irradiation and CUF assumptions.

State policy divergence is shaping transaction strategy

Although the Green Energy Open Access Rules were designed to create a more facilitative framework, transaction economics in 2026 remain highly state-contingent. Maharashtra, Karnataka, Tamil Nadu, Gujarat, Rajasthan, Haryana, Uttar Pradesh and Andhra Pradesh continue to attract substantial C&I attention, but each offers a distinct combination of wheeling terms, banking provisions, surcharge application and operational ease.

In practice, advisory mandates now begin with state screening rather than project screening. Buyers with plants across multiple states are increasingly using a portfolio approach:

- Prioritise open access in states with manageable surcharge and banking treatment
- Use rooftop or behind-the-meter RE where open access economics are weaker
- Consider hybrid or RTC-linked products for loads with evening peaks
- Reserve short-term market procurement for balancing and seasonal optimization

For example, a state with a lower solar tariff is not automatically the best choice if banking is severely constrained and wheeling losses are high. Conversely, a state with a marginally higher energy tariff may still offer better net economics because of predictable monthly banking and lower surcharge incidence.



Policy divergence also matters for project finance. Where charge orders are frequently litigated or revised retrospectively, lenders tend to seek stronger sponsor support, conservative DSCR assumptions and contracted pass-through clarity. A stable state regulatory environment can therefore lower financing friction and improve offtake competitiveness even if the nominal tariff is not the cheapest.

RPO, sustainability claims and procurement structuring for C&I buyers

For C&I buyers, open access procurement is no longer only about tariff savings. In 2026, it also sits within a broader compliance and decarbonisation agenda involving RPO trajectories, corporate emissions targets, supply-chain requirements and audit-grade renewable accounting.

The regulatory and commercial questions buyers should evaluate include:

- Whether renewable procurement helps meet applicable captive, obligated entity or group-level compliance expectations
- How state RPO enforcement interacts with the buyer's sector and supply arrangement
- Whether the procurement structure supports credible annual renewable consumption claims
- How settlement, meter data and scheduling records will be maintained
- Whether the PPA allows flexibility for future load growth, plant shutdowns or restructuring

Many large corporates now seek a bundled advisory view that combines energy economics with compliance positioning. This is especially relevant for exporters and supply-chain participants serving customers with stricter emissions disclosure expectations. A poorly structured PPA can create ambiguity around energy accounting, curtailment treatment or claim substantiation.

From a structuring standpoint, buyers should insist on clarity around:

- Curtailment risk allocation
- Change in law pass-through
- Deviation and imbalance cost treatment
- Minimum offtake obligations
- Contracted capacity vs expected annual generation
- Exit rights and assignment provisions
- Payment security package
- Metering, ABT applicability and reconciliation cycle

These details directly affect actual savings and risk transfer. Developers that can transparently model them are winning more bankable C&I mandates in 2026.

Solar, wind or hybrid: matching procurement to load shape

One of the biggest mistakes in open access procurement is selecting technology based purely on cheapest LCOE rather than load compatibility. Solar remains the simplest and often cheapest entry point, but not every industrial load is solar-friendly once banking and mismatch are considered.

A practical comparison:

- Solar OA: Best for consistent daytime demand, especially where monthly banking exists and weekend mismatch is limited.



- Wind OA: Useful for consumers with broader day-night demand, but variability and seasonal concentration must be understood carefully.
- Hybrid OA: Often best for reducing mismatch and banking dependence, especially for round-the-clock operations in manufacturing, chemicals, metals, data infrastructure and large campuses.

Indicative 2026 market ranges for new C&I procurement can broadly look like this, depending on state and deal structure:

- Solar PPA tariff: around Rs 3.00-4.00/kWh
- Wind PPA tariff: around Rs 3.40-4.50/kWh
- Hybrid PPA tariff: around Rs 4.00-5.50/kWh

But landed cost after charges can significantly compress the apparent spread. In some use cases, hybrid becomes more economical than solar because it reduces high-cost evening grid procurement and avoids excessive banking losses. For 24x7 users, the comparison should be made on blended monthly energy cost, not generator tariff alone.

This is also why dispatch simulation matters. A serious procurement process should include:

- 15-minute or at least hourly load data analysis
- Seasonal generation matching
- Banking and settlement modelling
- Demand charge interaction
- Curtailment assumptions
- Sensitivity to surcharge revisions
- Comparison against discom tariff escalation

Without this, the buyer is not really evaluating the PPA; they are only evaluating a headline number.

What lenders, developers and utilities should watch in 2026

Open access growth remains a major opportunity, but each stakeholder is focused on a different risk.

For lenders:

- State regulatory stability is now a credit variable
- Banking restrictions can stress cash flows
- Multi-buyer portfolios may diversify offtake risk
- Hybrid and diversified supply structures can improve monetisation certainty

For developers:

- Faster closure depends on transparent landed cost communication
- Contract terms need to absorb charge volatility intelligently
- Site selection should incorporate state demand depth and policy durability, not just resource quality

For utilities and policymakers:

- Excessive surcharge design can suppress industrial competitiveness and reduce RE uptake
- Clear banking and settlement rules improve market confidence
- Better alignment between open access policy and renewable integration objectives is essential



In 2026, the most effective market participants are those who treat open access as a system economics problem rather than a tariff procurement exercise. That means combining regulatory reading, tariff engineering, load analytics, transaction structuring and financing discipline.

For C&I consumers, the decision framework is simple but non-negotiable: model the full landed cost, test banking assumptions, compare technology profiles against actual load, and price in state-level regulatory risk before signing a long-tenor PPA.

If your business is evaluating open access solar, wind or hybrid procurement, or you need a state-wise landed cost model covering CFA-equivalent incentives, banking, surcharges, RPO and financing implications, contact Growthifye's advisory desk for transaction support, policy interpretation and bankable project structuring.

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