

INDIA – RENEWABLE ENERGY FOR REN 21 WEBINAR

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INDIA

- ❑ **Federal Constitution**
- ❑ **“Power” a subject dealt with by both Union and State Governments**
- ❑ **Regulatory structure – Both at the Central and State Level**
- ❑ **Various models of Renewable Energy investments depending on Resources and Policies**

RENEWABLE ENERGY IN INDIA

- ❑ Discussion mostly on power generating systems
- ❑ Other forms of energy like heat, thermal and biofuels are not covered
- ❑ Significant progress during the last one decade
- ❑ Some setback in recent years due withdrawal of policy initiatives
- ❑ Recent setback in the economy and currency depreciation have added to problems

SHARE OF RENEWABLE POWER

- ❑ As of 31st July the RE capacity in the country is 29,000 MW
- ❑ This represents 12% of the total capacity and 6% contribution of power to the Grid
- ❑ Capacity led by wind power which is 20,000 MW, Small hydro 3,700 MW , Biomass 1,260 MW Industrial Biomass 2,300 MW and Solar 1,800 MW
- ❑ Indian system excludes Hydro capacities of 25 mw and above, if this is included the capacity share is 33% and contribution share is 21%

RENEWABLE PORTFOLIO STANDARDS

- ❑ The PM's action plan calls for 15% contribution to the grid from renewables by 2020
- ❑ The Electricity Act empowers the regulators to fix R.P.O standards and enforce them.
- ❑ India has devised system of Renewable Energy Certificates (RECs) by which utilities can purchase certificates if they do not have access to renewable power
- ❑ There is no enforcement of RPOs as a result of which generators are denied a market for power and certificates.

PRESENT STATUS

- ❑ Growth of Renewable has suffered due to withdrawal of policy incentives
- ❑ Regulators at State level reversing some beneficial regulations
- ❑ Utilities resisting absorption of renewable power on grid stability and technical issues but basic opposition is based on commercial issues
- ❑ This is despite the fact that most utilities do not have sufficient power to distribute

INTEGRATION ISSUES

- ❑ Present policy emphasis is on coal based generation that undermines growth in renewable sector
- ❑ Intermittent and seasonal nature of renewable power is held against the sector in some quarters and by a few detractors
- ❑ Grid integration and stability issues are also held against renewable power
- ❑ Financing in terms of equity and debt has become a problem in recent times.

POLITICAL LANDSCAPE

- ❑ No political party is opposed to ‘Renewable Energy’ as such
- ❑ At the same time no political party is passionate about renewable Energy
- ❑ Regional parties are focussed on local issues and do not spare time or make efforts to ensure growth of RE as a whole
- ❑ Support from political parties lacking more by default then by design

LIKELY FUTURE SCENARIO

- ❑ **Power infrastructure in terms of generation transmission and distribution is far behind requirement**
- ❑ **The present economic problems of slowdown in growth, inflation and depression of Indian currency as added to problems**
- ❑ **A national election is due in about nine months time. All political parties concentrate on issues that are considered more important than renewable energy**
- ❑ **A stable policy is likely to emerge only after the**



THANKS