



⚡ POWER SECTOR

NEWSLETTER | Week 24 | June 2023



POWER PURCHASE

» IMPORTED COAL BASED POWER PLANTS HAVE BEEN INSTRUCTED TO RUN AT FULL LOAD TILL SEPTEMBER 30

- » The Ministry of Power has extended the time period for using imported coal by three and half months and directed all Imported Coal based Power Plants to run at full capacity till September 30.
- » Peak power demand met or the highest supply in a day touched a record high of 223.23 GW on June 9, 2023.
- » The 15 imported coal-based (ICB) power plants includes CGPL and Adani Power's plant in Mundra; Essar's Power Plant in Salaya; JSW's plant in Ratnagiri; Tata Power's plant in Trombay; Adani Power's plant in Udupi; Meenakshi Energy Power Plant in Andhra Pradesh; and JSW plant in Torangallu.
- » The Country's peak power demand is estimated to touch 230 GW in 2023.



POWER PURCHASE

- » Imported Coal based Power Plants have been instructed to run at full load till September 30.



RENEWABLES

- » Tender has been issued by NTPC-RE for the assessment of potential of floating solar in India.
- » Separate RPO Obligation notified for Wind, Hydro and Energy Storage System (ESS) by Rajasthan Electricity Regulatory Commission (RERC).



Policy and Regulatory

- » The Guidelines for procurement of firm and despatchable power from Renewable Energy Sources with Energy Storage System (ESS) has been issued by Ministry of Power.
- » Deadline for eligibility for waiver of ISTS charges for Solar and Wind projects have been extended by CERC till 1st October, 2023.

⚡ POWER SECTOR



NEWSLETTER | Week 24 | June 2023

- ▶ The Ministry's notice issued to Imported Coal-Based (ICB) plants in February noted that in the likely scenario of a gap in the demand and supply of domestic coal and essential requirement of maintaining coal stock at generating stations, the use of imported coal needs to be increased by way of blending with the domestic fuel in domestic coal-based plants and also by ensuring optimum generation from ICB plants.
- ▶ The Ministry has provided for pass through of higher cost of imported coal as well as the provision of sale of excess power in exchanges.
- ▶ Also, this year a new segment of High Price-Day Ahead Market was also launched to facilitate ICB plants, gas-based plants and battery energy storage projects to sell power at a price of up to Rs 50 per unit on power exchanges.

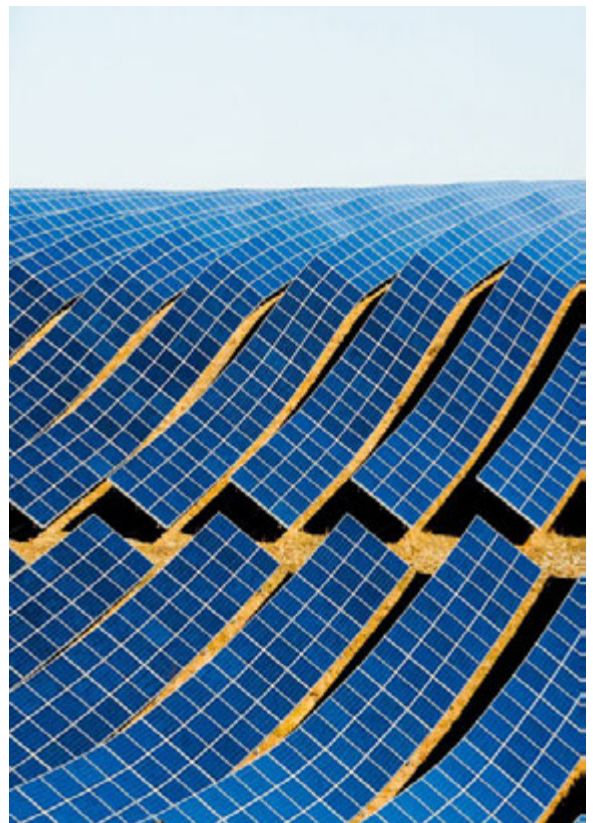




RENEWABLES

» TENDER HAS BEEN ISSUED BY NTPC-RE FOR THE ASSESSMENT OF POTENTIAL OF FLOATING SOLAR IN INDIA.

- ▶ NTPC Renewable Energy has invited bids for the appointment of consultants to assess the potential of floating solar in different States and Union Territories of India.
- ▶ The selected Consultant will be responsible for conducting a Floating Solar Potential Study (FSPV) in the identified states of India which includes Andhra Pradesh, Tamil Nadu, Karnataka, Puducherry, Andaman & Nicobar and Maharashtra.
- ▶ The scope of work involves gathering data and satellite images of reservoirs and evaluating the feasibility of floating solar power projects.
- ▶ The Consultant's tasks involve identifying all the significant data from the respective state authorities, conducting FSPV potential assessments, and performing power evacuation studies.
- ▶ Additionally, the Consultant must rank the FSPV projects based on their economic viability.



- ▶ The last date for the submission of bids is 4th July, 2023 and bids will be opened after two days on 6th July 2023.



RENEWABLES

» SEPARATE RPO OBLIGATION NOTIFIED FOR WIND, HYDRO AND ENERGY STORAGE SYSTEM (ESS) BY RAJASTHAN ELECTRICITY REGULATORY COMMISSION (RERC).

- ▶ Rajasthan Electricity Regulatory Commission (RERC) has notified separate RPO obligation for Wind, Hydro and Energy Storage System (ESS), while Solar and Biomass has been categorized under 'Other RPO'.
- ▶ The new policy provides the RPO trajectory until FY 2029-2030. The newly incorporated changes are aligned with the Rules issued by Ministry of Power (MoP). The targets are made effective from April 1st, 2024.
- ▶ RERC notified that the RPO for wind energy can be fulfilled by the energy consumed from the projects commissioned after 31st March, 2022. The RPO can also be met from the excess wind energy consumed beyond 7% of the total energy consumption from projects commissioned before 31st March, 2022.



- ▶ The shortfall in achieving wind RPO in a year may be met with the excess energy consumed from hydropower plants which is more than HPO for that year and vice versa.

⚡ POWER SECTOR



NEWSLETTER | Week 24 | June 2023



RENEWABLES

- ▶ The hydro purchase obligation could only be fulfilled by energy produced from large hydropower projects, including pumped hydro projects, commissioned after 8th March, 2019.
- ▶ The “Other RPO” shortfall in any year can be met by consuming the power from wind power projects commissioned after 31st March, 2022, provided that the wind power must be beyond the wind RPO for that year.
- ▶ The RPO will be calculated as a percentage of the total electricity consumption.
- ▶ RERC has also notified the Energy Storage Obligation (ESO) trajectory until FY 2030. The ESO will be calculated in energy terms as a percentage of the total electricity consumption and treated as fulfilled by only when at least 85% of the total energy stored in the Energy Storage System (ESS) is procured from renewable energy sources annually.





POLICY AND REGULATORY

» THE GUIDELINES FOR PROCUREMENT OF FIRM AND DESPATCHABLE POWER FROM RENEWABLE ENERGY SOURCES WITH ENERGY STORAGE SYSTEM (ESS) HAS BEEN ISSUED BY MINISTRY OF POWER.

- ▶ The objective of the Guidelines is to provide firm and despatchable power to DISCOMs from Renewable Energy Projects. Another objective is to meet the Renewable Energy Purchase obligation requirements of the DISCOMs.
- ▶ Further, it seeks to provide a transparent, fair, standardised procurement framework based on open competitive bidding with appropriate risk-sharing between various stakeholders to enable procurement of power at competitive prices in consumer interest.
- ▶ The Guidelines help to improve bankability of projects and ensure reasonable returns to the investors.
- ▶ Additionally, it will provide a framework for the inter-state/ intra-state, long-term, sale-purchase of power as a further measure to de-risk the sector.
- ▶ These Guidelines are being issued under the provisions of Section 63 of the Electricity Act, 2003.





POLICY AND REGULATORY

» **DEADLINE FOR ELIGIBILITY FOR WAIVER OF ISTS CHARGES FOR SOLAR AND WIND PROJECTS HAVE BEEN EXTENDED BY CERC TILL 1ST OCTOBER, 2023.**

- ▶ Central Electricity Regulatory Commission (CERC) has extended the eligibility of waiver of ISTS charges for solar and wind projects till 1st October, 2023, which was earlier valid till 30th June, 2023.
- ▶ The waiver for ISTS charges would be for 25 years from the date of commissioning of the solar and wind projects for transmission and sale to the entities with Renewable Purchase Obligations (RPO).

