



POWER PURCHASE

>> CANNOT PHASE OUT COAL-BASED POWER PLANTS UNTIL STORAGE, VIABLE TECHNOLOGY : POWER MINISTRY

- > Power Ministry is of the opinion that phasing out of coal based plants cannot be agreed till the time storage picks up and abatement technologies become viable.
- > Currently more than 50% of the energy need is met through coal based plants. India expects its demand to reach a peak of 335 GW by 2030.
- > India also aims to achieve a target of renewable capacity addition up to 500 GW by 2030 so that the renewable energy contributes around 65% from the total energy needs.

>> ODISHA SETS GENERIC TARIFF FOR SMALL HYDRO & BIOMASS POWER PROJECTS FOR FY 2026

- > **Control Period:** The Odisha Electricity Regulatory Commission (OERC) has set the generic tariff and prices for renewable energy projects for a control period spanning three financial years, from FY 2023-24 to FY 2025-26, with an extension for small hydro projects until FY 2027-28.



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-  **ODISHA SETS GENERIC TARIFF FOR SMALL HYDRO & BIOMASS POWER PROJECTS FOR FY 2026**



RENEWABLES

-  **GOVERNMENT DISBURSED RS. 9.8 BILLION UNDER SOLAR ROOFTOP SCHEME**



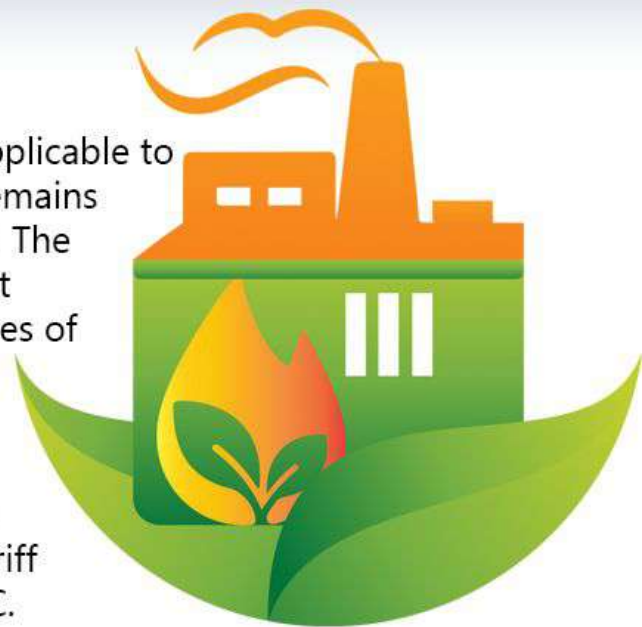
POLICY & REGULATORY

-  **INDIA LAUNCHES NATIONAL REPOWERING & LIFE EXTENSION POLICY TO BOOST WIND POWER EFFICIENCY.**



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- > **Uniform Tariff Principles:** The determined tariff, applicable to projects commissioned during the control period, remains unchanged throughout the useful life of the project. The preferred method for project selection is transparent competitive bidding, acting as the ceiling rate in cases of bidding or memorandum of understanding routes
- > **Negotiation Flexibility:** GRIDCO or power distribution companies have the flexibility to negotiate lower tariffs through bilateral agreements with project developers, provided the negotiated tariff does not exceed the generic tariff specified by OERC.
- > **Commercial Operation Date:** The tariff period aligns with the useful life of the projects and commences from the date of their commercial operation. Competitive bidding for renewable energy procurement is applicable for the entire tariff period.
- > **Small Hydro Projects:** Capital costs for small hydro projects are set at Rs. 78 million/MW for projects below 5 MW and Rs. 90 million/MW for projects between 5 MW and 25 MW during the control period. The normative Capacity Utilization Factor (CUF) is 30%, and the levelized tariff is Rs. 5.93/kWh for projects below 5 MW and Rs. 5.82/kWh for projects between 5 MW and 25 MW over 40 years.
- > **Biomass Projects:** Biomass project capital costs range from Rs. 55.9 million/MW to Rs. 60 million/MW based on rankine cycle technology. The Plant Load Factor (PLF) for determining the generic tariff is 80%, with O&M expenses escalated at 3.84% per annum. Biomass fuel prices start at Rs. 4,118/MT, escalating at 5% annually, and fossil fuels are prohibited for biomass-based power projects commissioned during the control period.





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- > **Non-Fossil Fuel-based Co-generation:** Normative capital cost for non-fossil fuel-based co-generation projects is Rs. 49.2 million/MW, with a PLF of 53%. O&M expenses are escalated at 3.84% per annum. Bagasse fuel prices start at Rs. 2,632/MT, escalating at 5% annually.
- > **Wind Project:** The normative Capacity Utilization Factor (CUF) for wind projects in Odisha is set at 22%, estimated based on an annual mean wind power density of 220 watts per sq.m.



RENEWABLES

>> GOVERNMENT DISBURSED Rs. 9.8 BILLION UNDER SOLAR ROOFTOP SCHEME

- > **Power MNRE Rooftop Solar Incentives:** Ministry of New and Renewable Energy (MNRE) has disbursed Rs. 9.08 billion as incentives to distribution companies (DISCOMs) under the Rooftop Solar Program Phase-II.
- > **Distribution of Incentives:** The incentives, distributed as of November 31, 2023, aim to support various tasks related to rooftop solar projects, including project assessment, implementation, grid connectivity, and capacity building by DISCOMs.



RENEWABLES



- > **Rooftop Solar Capacity Installed:** India has successfully installed 2.65 GW of rooftop solar capacity in the residential segment, out of the 3.57 GW assigned to various implementing agencies.
- > **Program Extension:** The Rooftop Solar Program Phase-II has been extended until March 31, 2026, with the Ministry providing central financial assistance (CFA) to support installations in the residential segment.
- > **DISCOMs as Implementing Agencies:** DISCOMs are designated as implementing agencies for the program, recognizing the additional benefits of rooftop solar, including avoiding costs related to generation, transmission, and distribution losses.
- > **Concerns and Incentives:** While concerns about potential revenue loss exist, DISCOMs are incentivized to increase rooftop solar installations through achievement-linked incentives tied to the incremental rooftop solar capacity added in their operational areas.
- > **Gazette Notification:** The Power Ministry issued a gazette notification specifying the minimum share of consumption of non-fossil sources by designated consumers to further promote rooftop solar installations.
- > **Promotional Initiatives:** States and union territories are conducting extensive information, education, and communication campaigns to encourage rooftop solar installations. The National Portal for Rooftop Solar has introduced a grievance redressal mechanism, resolving 15,053 out of 15,942 requests received.



POLICY & REGULATORY

>> INDIA LAUNCHES NATIONAL REPOWERING & LIFE EXTENSION POLICY TO BOOST WIND POWER EFFICIENCY.

- > Wind power capacity in India has grown from 21.1 GW in March 2014 to 44.29 GW in October 2023, Many early wind turbines, especially pre-2000, face inefficiencies; repowering essential for optimal performance.
- > Revised policy allows replacement of older turbines with more efficient models before design life ends.
- > National Institute of Wind Energy estimates a repowering potential of 25.406 GW, focusing on turbines below 2 MW, States like Tamil Nadu, Maharashtra, Karnataka, Gujarat, Rajasthan, Madhya Pradesh, Kerala, and Andhra Pradesh identified with varying repowering potentials.
- > Developers encouraged to consider repowering for non-compliant, end-of-life, or sub-2 MW capacity turbines.
- > Wind Repowering Project Aggregators (WRPA) play a key role in identifying potential turbines for repowering, WRPAs responsible for detailed project reports, land acquisition, and overall project management.





POLICY & REGULATORY

- Repowering/refurbishment projects must be commissioned within 24 months from the consent letter date.
- Streamlined procedure for repowering project execution, including coordination for transmission capacity and open bids or EPC basis.
- Financial incentives and loans from entities like REC, PFC, and IREDA, with an additional interest rate rebate from IREDA, incentivize developers.
- 'National Repowering & Life Extension Policy for Wind Power Projects – 2023' expected to revolutionize India's wind energy landscape, driving sustainable growth in the renewable energy sector.

