



POWER SECTOR

NEWSLETTER | WEEK 33 | AUG 24



POWER PURCHASE

- › **DISCOMS FACE FINANCIAL CONSTRAINTS DUE TO PAYMENT DELAYS FROM GOVT: ICRA**
 - › Distribution companies (Discoms) are experiencing significant financial strain due to delays in payments from the government.
 - › According to ICRA, a credit rating agency, these payment delays are exacerbating the liquidity issues faced by Discoms.
 - › The delay in payments affects the operational efficiency and financial health of Discoms, making it difficult for them to manage their cash flows and meet financial obligations.
 - › Discoms are accumulating arrears due to delayed payments, which further complicates their financial stability.
 - › The report highlights the need for timely government support to help Discoms manage their financial challenges and ensure the stability of the power sector.
 - › ICRA suggests that measures should be taken to streamline payment processes and improve financial management practices within Discoms to mitigate these issues.
 - › The financial constraints faced by Discoms due to payment delays are a broader concern that could impact the overall health of the power sector.



POWER PURCHASE



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RENEWABLES



RAJASTHAN BECOMES FIRST STATE IN INDIA TO ACHIEVE 50% SOLAR POWER



CEA CLARIFIES WIND TURBINE STANDARDS AMIDST PENDING GRID CONNECTIVITY APPROVALS



Policy and Regulatory



PM SURYA GHAR TARGETS ONE MODEL SOLAR VILLAGE EACH IN 800 DISTRICTS



MoP NOTIFIES AMENDMENT IN GUIDELINES FOR IMPORT/EXPORT (CROSS BORDER) OF ELECTRICITY, 2018



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RENEWABLES

➤ RAJASTHAN BECOMES FIRST STATE IN INDIA TO ACHIEVE 50% SOLAR POWER

- Rajasthan has achieved a major milestone by becoming the first state in India to have more than 50% of its total installed power capacity from solar energy.
- As of August 2024, the state has approximately 23 GW of solar capacity, which constitutes 51% of its total installed power capacity.
- Rajasthan has surpassed 10 GW of cumulative large-scale solar installations.
- The state has an additional 20 GW of solar projects in the pipeline.
- Rajasthan offers several incentives to attract solar developers, including: Tax breaks and exemptions, Land allocation, Power purchase agreements (PPAs)
- Despite the progress, solar development in Rajasthan has faced some challenges: Evacuation infrastructure constraints, Conservation concerns for the Great Indian Bustard, a critically endangered bird species found in the state.
- The achievement of 50% solar power in Rajasthan's energy mix is a significant step towards India's renewable energy goals and a cleaner, greener future.





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RENEWABLES

>> CEA CLARIFIES WIND TURBINE STANDARDS AMIDST PENDING GRID CONNECTIVITY APPROVALS

- > The Central Electricity Authority (CEA) has clarified the temperature range for the operation of wind turbines.
- > Wind turbine generators (WTGs) that operate at full capacity up to 40°C, without losing efficiency, in line with the IEC 61400-1 standard, will be considered for grid connectivity.
- > If WTGs start losing efficiency before 40°C, the original equipment manufacturers (OEMs) will be given a chance to modify the turbine design.
- > For WTGs that operate at full capacity up to 40°C but lose efficiency at extreme temperatures, grid connectivity will be granted based on their reduced efficiency.
- > In hybrid wind-solar projects, the combined capacity of wind turbines and solar inverters at extreme temperatures will determine grid connectivity.





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NEWSLETTER | WEEK 33 | AUG 24



POLICY AND REGULATORY

» PM SURYA GHAR TARGETS ONE MODEL SOLAR VILLAGE EACH IN 800 DISTRICTS

- > PM Surya Ghar initiative aims to develop one model solar village in each of India's 800 districts.
- > The initiative has an allocated budget of ₹8 billion; each village will receive ₹10 million in central financial assistance.
- > Villages will be equipped with rooftop solar installations, solar-powered street lighting, water systems, and agricultural pumps.
- > Villages will be selected based on their potential and current installed renewable energy capacity.
- > District-level committees will oversee the project, with a target to complete within one year.
- > The initiative is part of a broader effort to improve rural energy access, reduce electricity costs, and promote sustainable development in rural areas.





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POLICY AND REGULATORY

» MoP NOTIFIES AMENDMENT IN GUIDELINES FOR IMPORT/EXPORT (CROSS BORDER) OF ELECTRICITY, 2018

- > The Ministry of Power (MoP) has issued amendments in the guidelines governing the export of electricity.
- > According to amendment, Indian power generation and distribution companies can export electricity produced from coal, renewable, or hydropower sources to neighbouring countries with approval from the Designated Authority.
- > For coal-based electricity, exports are only allowed if the power is generated using imported coal, e-auction coal, or coal from commercial mining.
- > Gas-based electricity exports are allowed only if the gas used comes from approved sources.
- > Indian power plants supplying electricity solely to neighbouring countries can establish dedicated transmission lines to connect with those countries' grids, subject to technical, strategic, and regulatory approvals.
- > The Government of India may also permit these plants to connect to the domestic grid for local power sales if there are scheduling or payment issues.

