



POWER SECTOR

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POWER PURCHASE

» GOVERNMENT APPROVES ASHVINI TO DEVELOP NUCLEAR POWER PLANTS

- > The government has approved Anushakti Vidhyut Nigam Limited (ASHVINI), a joint venture between Nuclear Power Corporation of India Limited (NPCIL) and NTPC Limited, to build, own, and operate nuclear power plants in India under the Atomic Energy Act.
- > The transfer of the Mahi Banswara Rajasthan Atomic Power Project (MBRAPP), which includes four 700 MWe reactors using pressurized heavy-water reactor technology, has been approved from NPCIL to ASHVINI.
- > The government has granted exemptions allowing NPCIL to invest over Rs 5 billion and NTPC to invest over Rs 50 billion in a single joint venture or subsidiary.
- > Besides MBRAPP, ASHVINI will also explore other nuclear power projects across the country.



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RENEWABLES



TATA POWER RENEWABLE SECURES 400 MW WIND-SOLAR HYBRID PROJECT FROM MSEDCL



GOVERNMENT ISSUES GUIDELINES FOR THE IMPLEMENTATION OF VGF FOR OFFSHORE WIND PROJECTS



Policy and Regulatory



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MERC APPROVES LARGE-SCALE SOLAR PROCUREMENT TO POWER DAYTIME AGRICULTURE IN MAHARASHTRA



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RENEWABLES

➤ TATA POWER RENEWABLE SECURES 400 MW WIND-SOLAR HYBRID PROJECT FROM MSEDCL

- Tata Power Renewable Energy Limited (TPREL) has secured a contract to develop a 400 MW wind-solar hybrid project from Maharashtra State Electricity Distribution Company Limited (MSEDCL).
- This project represents TPREL's largest renewable energy project in Maharashtra to date.
- The awarded project includes an initial capacity of 200 MW, with a greenshoe option for an additional 200 MW.
- The hybrid project is expected to be completed within 24 months from the signing of the power purchase agreement.
- The project will aid Maharashtra in meeting its Renewable Purchase Obligation (RPO) targets and enhance the state's renewable energy capacity.
- With this addition, TPREL's renewable energy portfolio reaches 10.5 GW, including 4.8 GW operational capacity comprising 3.8 GW of solar and 1 GW of wind energy.
- TPREL boasts a solar EPC portfolio exceeding 15 GW in ground-mounted utility-scale systems and over 2 GW in rooftop and distributed systems.
- TPREL recently won a contract for 50 MW under REMC Limited's auction for supplying 750 MW of round-the-clock renewable power across India.
- TPREL's subsidiary, TP Solar, has begun commercial production from its 2 GW solar cell line in Tamil Nadu, addressing the demand for domestically produced solar components.






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RENEWABLES

GOVERNMENT ISSUES GUIDELINES FOR THE IMPLEMENTATION OF VGF FOR OFFSHORE WIND PROJECTS

- > The central government has issued guidelines for implementing the viability gap funding (VGF) scheme for offshore wind energy projects, with a budget of Rs 74.53 billion.
 - > Of this budget, Rs 68.53 billion is allocated for 1,000 MW of offshore wind capacity, and Rs 6 billion is designated for port infrastructure.
 - > The scheme will focus on offshore wind projects along the coasts of Gujarat and Tamil Nadu, overseen by the Ministry of New and Renewable Energy.
 - > The Solar Energy Corporation of India Limited (SECI) will manage applications, fund disbursements, and progress reports.
 - > The initiative will begin with a 500 MW project in both Gujarat and Tamil Nadu.
 - > Bidders will be selected through international bidding and an e-reverse auction, resolving ties with the lowest VGF request or a draw.
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- > The scheme will support projects until 2031-32, requiring eligible bidders to have offshore wind project experience and meet specific financial criteria.
 - > Projects must be completed within 48 months of signing the power purchase agreement, with bidders providing earnest money deposits and performance bank guarantees.
 - > Additionally, projects must connect to the inter-state transmission system in accordance with regulations, and SECI will assist with substation coordinates and seabed allocation.



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POLICY AND REGULATORY

» KERC CLARIFIES ROOFTOP SOLAR NET METERING RULES, ENSURES TIMELY PAYMENTS BY DISCOMS

- > The Karnataka Electricity Regulatory Commission (KERC) clarified that if rooftop solar consumers switch from net metering to gross metering, distribution companies (DISCOMs) must formalize the change with a Supplemental Power Purchase Agreement.
- > Consumers opting to switch from net metering to gross metering are required to enter into a Supplemental Power Purchase Agreement (PPA) with the respective distribution company (DISCOM).
- > KERC addressed complaints against Bangalore Electricity Supply Company Limited (BESCOM) for not adhering to prior orders regarding the net metering framework.
- > BESCOM must issue bills and make payments for energy exported under gross metering within 30 days of the bill date.
- > Any delays in payments beyond the stipulated 30 days will attract interest, ensuring prompt financial accountability from the DISCOM.
- > If a consumer chooses to utilize a captive solar project for self-consumption, the existing net metering PPAs will be terminated, affecting previous arrangements.
- > The clarification aims to safeguard consumer rights and ensure that DISCOMs comply with KERC directives, reinforcing transparency in transactions.
- > Under the gross metering framework, consumers will receive compensation for the energy they export, which is vital for the economic viability of rooftop solar projects.
- > KERC's actions highlight the need for DISCOMs to comply with regulatory requirements and consumer agreements, fostering a more reliable solar energy market.
- > This clarification is expected to encourage further adoption of rooftop solar solutions in Karnataka by ensuring a more favourable and transparent regulatory environment.



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POLICY AND REGULATORY

» MERC APPROVES LARGE-SCALE SOLAR PROCUREMENT TO POWER DAYTIME AGRICULTURE IN MAHARASHTRA

- > MERC has approved the Maharashtra State Electricity Distribution Company Limited (MSEDCL) to procure an additional 5,991 MW of solar power through competitive bidding.
- > This initiative aims to help Maharashtra fulfil its Renewable Purchase Obligation (RPO) and provide daytime electricity to farmers across the state.
- > The procurement is part of the Mukhyamantri Saur Krushi Vahini Yojana 2.0 (MSKVY 2.0), which targets the solarization of at least 30% of agricultural feeders by December 2025.
- > The plan seeks to reduce overall power procurement costs for MSEDCL and improve the quality of electricity supplied to agricultural consumers during peak daytime hours.
- > The competitive bidding will be facilitated by MSEB Solar Agro Power (MSAPL), a subsidiary of MSEB Holding Company, and will be divided into two categories: 5,745 MW under open tender and 246 MW under cluster tender.



- > A ceiling tariff of ₹3.10 (~\$0.03)/kWh has been established for these tenders, promoting cost-effectiveness and attracting solar power developers.
- > The additional solar capacity is expected to replace nighttime supply from conventional sources, leading to significant reductions in overall power purchase costs.
- > This transition is anticipated to enhance coal stock management by decreasing reliance on thermal power plants during peak daytime hours.
- > MSEDCL's RPO targets will rise from 29.91% in 2024-25 to 43.33% by 2029-30, with the distributed RPO component increasing from 1.50% to 4.50% during this period.