



Confederation of Indian Industry

RE Newswire

Newsletter from Renewable Energy Council
CII- Sohrabji Godrej Green Business Centre

Renewable Energy Investment Potential in India estimated at Rs. 100,000 Crores by 2017

*Green Power 2014 underlines the need for
urgent Policy reforms and vibrant Industry - Government Partnerships*



CII in its efforts to further enhance the adoption of renewable energy and promote private sector participation in the country organised the 13th edition of Green Power 2014 on 17-18 July 2014 at Chennai.

As per CII estimates, the investment potential in renewable energy sector in India by the year 2017 is estimated at Rs 100,000 Crores and the need of the hour is to launch long term Policy measures to attract investment into the sector. This was the key message that emerged out of Green Power 2014.

The two-day event had sessions on Central & State Policies and Regulatory Issues, Grid Management & Infrastructure, Energy Storage, Wind, Solar, Bio-energy, Small Hydro (Power) sectors and Renewable Energy Financing.

Green Power 2014 brought together leaders in the fields of Technology, Policy, Industry and Finance to create an effective platform for high level networking and business development in the renewable energy sector.

Inaugural Session



Mr Alphonus Stoelinga, Ambassador, Embassy of the Kingdom of the Netherlands called for greater Indo-Dutch co-operation in renewable energy sector. The Ambassador said that the Netherlands Government &

companies were open for business with India and are looking for partnership opportunities.

Dr Alok Srivastava, IAS, Joint Secretary, Ministry of New and Renewable Energy, Government of India, said that, MNRE is in the process of building an effective Policy that would boost investor confidence and cover the entire renewable energy sector.



Mr Sudeep Jain, IAS, Chairman & Managing Director, Tamil Nadu Energy Development Agency (TEDA), said that Tamil Nadu is a leader in the wind sector and the state is looking forward to take a leadership role in the manufactu-

ring of solar cells and grid-tied inverters.

Mr Ramesh Kymal, Chairman, Renewable Energy Council, CII - Godrej GBC, suggested that, to comprehensively address the Policy and Regulatory issues of the sector, Renewable Energy Law should be enacted. There should also be tighter enforcement of Renewable Energy Purchase Obligation (RPO) across the States and long term Policy stability, he added.



Dr Nitin Pandit, Managing Director, World Resources Institute - India, said that it was important to focus on the demand side of energy. He added that Green Power Market Development Group (GPMDG) India programme

was launched for the purpose of aggregating the demand for renewable energy in the Indian Industry and match it with the supply of Green Power.

Mr S Chandrasekhar, Past Chairman, CII-Karnataka State Council & Managing Director, Boruka Power Corporation Ltd said that, India has enormous potential for renewable energy generation. By suitably addressing the barriers for its growth, India could one day become a world leader in the renewable energy sector, he added.



Launch of Green Power Market Development Initiative' (GPMDG) in Tamil Nadu

Green Power 2014 was also marked by the launch of GPMDG in Tamil Nadu. The objective of GPMDG programme is to transform energy markets and enable corporate buyers to access reliable and clean energy, diversify their energy portfolios with green power, and reduce their impact on climate change. GPMDG works extensively with Green Power developers, IPPs, large corporate energy consumers, financial institutions, Central Government and State Governments.

As part of this initiative, a "Signature Campaign" was organised which facilitated an opportunity for companies to commit increased use of green power in their operations.

At the programme, about 30 organisations representing various organisations including - ACC, Ashok Leyland, Bhoruka, Borg, CREWA, Gamesa, Juwi, Regen-Powertech, Ultatech Cements, WIPRO etc., committed to increase their Renewable energy procurement by endorsing on the Charter Board.



Session on 'India -Netherlands co-operation in Renewable Energy'

A session on 'India - Netherlands co-operation in Renewable Energy' was organised. The session witnessed the participation of four companies from Netherlands and B2B meetings between Indian and Dutch Companies. This session evoked excellent response from the companies. CII would extend all the possible support in meeting the objectives of the companies.



Session on Central & State Policies Opportunities & Challenges



Session on Central & State Regulatory Issues



Key Policy Suggestions

The following are the key Policy suggestions shared by the experts at Green Power 2014

- 1. Renewable Energy Law** has to be implemented at the earliest to comprehensively address the policy and regulatory challenges being faced by the Renewable Energy Sector.
- 2. The launch of National Wind Energy Mission needs to be expedited.** Also the NWEM and needs to be aligned along with the goals of NAPCC of 15 % Renewable Energy by 2017.
- 3. The RPO Enforcement needs to be tightened across all states** - This needs to be done either through amendment of Electricity Act / Indian Penal Code as this is the need of the hour.
- 4. Priority lending status to be accorded to the RE sector.** Nationalized banks and financial institutions to have a separate portfolio to fund RE projects.
- 5. Goods and Services Tax (GST)** - In case of renewable energy products the GST must be zero or nominal.
- 6. The benefits of Accelerated Depreciation** must be extended to all renewable energy systems.
- 7. Long term Policy stability** is to be ensured by Central and State Governments to secure Investor confidence and better bankability of projects.
- 8. Govt. has to expedite the process for acquiring statutory clearances** and land acquisition. Land conversion should be made automatic for all Renewable Energy projects without any delay across all states.
- 9. Solar - biomass / Solar - wind hybrid systems have to be incentivized** with appropriate tariff mechanisms and tax incentives. Better utilization of infrastructure for evacuation of power would be possible through hybrids.
- 10. The prevailing wide disparity between RE tariffs across different states** needs to be corrected soon.
- 11. Augment intra-state & inter-state transmission infrastructure** and Green Energy corridors for better evacuation of power generated from RE sources. .
- 12. There is an urgent need for the Govt. to develop policies for the thermal energy applications of Renewable energy sources** to replace fossil fuels like furnace oil, diesel and coal. Currently policies are centred around electrical energy from renewables.
- 13. Bio-energy Mission** needs to be launched soon There is a need for policy to encourage Bio-energy being utilized for heating and transport applications.
- 14. The asset-liability mismatch problem being faced by Nationalized banks** while funding renewable energy projects has to be resolved through suitable RBI guidelines.
- 15. All capital subsidies should be replaced by gross feed-in-tariffs.** Since capital subsidy is not available for the timely disbursement it creates lots of working capital issues for the installer and dilutes the interest of financial institutions.. Instead the Government can fix higher feed-in tariffs to make the RE system viable. .
- 16. Net Metering policy for commercial and institutional solar:** In few states the electricity regulators have mandated the net metering policy only for residential consumers but excluded the institutional and commercial consumers. This issue should be addressed at the state and central level at the earliest.
- 17. Bring out a National Mission for greening India** if implemented with an end objective of heating and for transport fuels will resolve the issue of biomass source and availability. There is a need to create a conducive framework to accelerate the deployment of biofuels.
- 18. Impose a cess on LNG / LPG & Crude oil imports (similar to cess on coal):** cess on imported coal is Rs.100 or around 1.6 - 2 % of the C & F value. Similar cess needs to be levied on imported liquid / gaseous fossil fuel to fund Biofuels & Bio-methanation projects.
- 19. There is an urgent need to create Knowledge centres / National Institutes** of excellence for reliable data acquisition on RE resources and dissemination
- 20. Land acquisition Act** and Forest Act need to be amended in such a way as to make the project implementation easier for developers.

