

## **7591.99 MW OF RENEWABLE ENERGY COMMISSIONED IN 2019-20 (UP TO DEC 2019); 34160 MW RE CAPACITY UNDER IMPLEMENTATION: R K SINGH**

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Ministry of New and Renewable Energy

### **7591.99 MW of Renewable Energy commissioned in 2019-20 (up to Dec 2019); 34160 MW RE capacity under implementation: R K Singh**

Posted On: 04 FEB 2020 2:46PM by PIB Delhi

The Minister of State (I/C) For New & Renewable Energy, Power and MoS for Skill Development and Entrepreneurship Shri R K Singh informed the Rajya Sabha today while replying to a question during Question Hour that a renewable energy (RE) capacity of 7591.99 MW has been commissioned in the year 2019-20 (up to Dec 2019). He added that another 34160 MW RE capacity is under various stages of implementation. It is expected that renewable energy capacity addition in the year 2019-20 will exceed the capacity addition achieved in the year 2018-19 which was 8532.22 MW.

Shri Singh also said that most of the grid connected renewable energy projects in the country are being implemented by the private sector developers selected through a transparent competitive bidding process. Capital investment made by these developers is their privileged information. However, based on standard capital costs per MW, an investment of Rs. 40459.99 Cr is estimated to have been made in Renewable Energy sector in the year 2018-19. An investment of Rs. 36729.49 Cr is estimated to have been made in the year 2019-20 up to Dec 2019.

Elaborating the steps being taken by the Government to boost investment in RE sector, the Minister stated that these include permitting Foreign Direct Investment (FDI) up to 100 percent under the automatic route, strengthening of Power Purchase Agreements (PPAs), mandating requirement of Letter of Credit (LC) as payment security mechanism by distribution licensees for ensuring timely payments to RE generators, setting up of Ultra Mega Renewable Energy Parks(UMREPs) to provide land and transmission on plug and play basis to investors, waiver of Inter State Transmission System (ISTS) charges and losses for inter-state sale of solar and wind power for projects to be commissioned by 31st December, 2022, notification of standard bidding guidelines to enable distribution licensee to procure solar and wind power at competitive rates in cost effective manner, declaration of trajectory for Renewable Purchase Obligation (RPO) up to the year 2022, laying of transmission lines under Green Energy Corridor Scheme for evacuation of Power in Renewable rich states, finalization of manufacturing linked tender for setting up domestic manufacturing capacity, launching of new schemes, such as, Pradhan Mantri Kisan Urja Suraksha Evam Utthaan Mahabhiyan (PM-KUSUM), Solar Rooftop Phase II, 12000 MW CPSU Scheme Phase II, etc.

In reply to another question, Shri R K Singh further enumerated that the Government has undertaken several financial, policy and regulatory measures for incentivizing deployment of renewable energy in the country. These include financial incentives for roof-top Solar PV systems and performance based incentives to the distribution companies (DISCOMs), flexibility

in generation and scheduling of thermal power stations; grid augmentation for absorbing increasing share of renewable energy; schemes for grid connected Solar PV Power Projects by Central Public Sector Undertakings (CPSUs); guidelines for transparent tariff based bidding for solar and wind power projects; subsidy for setting up off-grid and decentralized solar systems; subsidy for setting up family type biogas plants; notification of standards for deployment of solar photovoltaic system/devices; and priority sector lending status for loans up to a limit of Rs 15 crore.

Replying to a query on reasons for financial and operational inefficiencies of DISCOMs, he said that there are various reasons for the same which include amongst others tariffs not reflective of costs, delays in tariff filings, delays and non release or partial release of subsidies released by States against the supplies made to subsidised categories, high Aggregate Technical and Commercial (AT&C) loss levels etc. The Government has launched Ujjwal DISCOM Assurance Yojana (UDAY) for improving the financial and operational efficiencies of DISCOMs. The Government has also advised the States to convert all existing consumer meters into smart prepaid meters to improve billing and collection efficiencies within a period of three years; ensure upfront release of subsidies; and conduct regular energy audits.

In order to ensure timely payment to renewable energy generators, Shri R K Singh informed that the Indian Renewable Energy Development Agency Limited (IREDA), a Government Company established Non-Banking Financial Institution, has been extending short-term securitized loans to the DISCOMs at preferential rates. In the financial year 2019-20, IREDA has disbursed Rs 900 crore to Telangana, Rs 1200 crore to Andhra Pradesh and Rs 450 crore to Tamil Nadu.

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RCJ/Rel QH RS4-2-2020

(Release ID: 1601846) Visitor Counter : 282

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