





Centre to revive 23 GW solar and transmission projects in Leh region.

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- State utilities asked to issue solar, wind energy tenders MNRE
- India to add 10,000 Mw of renewable energy generation capacity next fiscal
- Centre drops plan to install 12 GW solar capacity through NTPC



- Winning tariffs hover around Rs 3.02-3.08/ KWH in Uttar Pradesh's 550 MW solar auction
- NABARD signs pact with GCF to infuse \$100 mn for boosting solar power
- Shapoorji Pallonji wins India's first large-scale floating solar project.
- Solar project: 70% cost to be taxed at 5%, says **GST Council**
- REC trading trend reverses in December 2018: solar trade spikes while non-solar slumps
- Solar industry demands uniform GST rate of 5 per cent





- India to bid 80 GW of solar and wind energy projects by 2020
- India's wind power potential declining due to global warming: Study
- Vestas bags largest India order under wind energy auctions
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- Companies line up plans for lithium-ion batteries production
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Policy/ Regulations

Centre to revive 23 GW solar and transmission projects in Leh region.

The Centre plans to set up 23 GW of grid-connected projects in the region. Private developers would be invited to submit tenders for these. Their transmission network would be extended till Punjab, a distance of about 850 km. The government had tried to set up a 7.5 GW solar project in the past, but the plan never saw the light of day.

The government has listed 5 GW project in Leh in its list of ultra-mega solar project across county. In the phase 1 of the current plan, the Centre is looking to put up 2.5 GW projects in Kargil and 5 GW projects in Leh for tenders.

State utilities asked to issue solar, wind energy tenders. MNRE (Ministry of new and renewable energy) has asked state utilities to issue solar and wind energy tenders, instead of depending on central utilities for meeting their renewable energy needs. The ministry has noted that most states are falling behind their RPO targets, or the share of clean energy in their electricity purchase. Against a target of 17% share as RPO during 2018-19, countrywide achievement during April-September in 2018 has been around 10.6%. This will help the state in adding generation capacity at financially competitive rates as compared to the marginal cost of power from fossil fuel-based thermal power capacity addition. The capacity bid by states will be additional to the bids likely to be issued by central PSUs.

India to add 10,000 MW of renewable energy generation capacity next fiscal. India is likely to commission renewable energy projects with a capacity of 9,000 MW in the current financial year (2018-19) and 10,000 MW in the next fiscal ending March 2020, based on the trend of projects awarded over the past two calendar years. According to ICRA, the projects awarded by the central nodal agencies and state distribution utilities in Calendar year 2017 and 2018 provide a reasonably healthy visibility for RE capacity addition in FY2019 and FY2020 with expected addition of about 9 GW in FY2019 and about 10 GW in FY 2020.

Centre drops plan to install 12 GW solar capacity through NTPC. The government has dropped its plan to install 12 GW of solar capacity out of total 15 GW envisaged through state-owned NTPC (National Thermal Power Corporation) as solar tariff dipped recently. Earlier, the government had planned to install 15 GW of solar energy capacity through NTPC, which was to be bundled with thermal power supply to specific states. The power company has already completed auction of 3 GW capacity out which 2.75 GW is installed and 0.25 GW is under construction. Power and New & Renewable Energy Minister Mr R K Singh said since the solar power price has fallen recently, it is not proposed to take up Tranche II (5 GW) and III (7 GW).

Business Standard, 1 December 2018 | The Economic Times, 10 December 2018 | The Economic Times, 11 December 2019 | Business Standard, 13 December 2018 |



Winning tariffs hover around Rs 3.02-3.08/KWH in Uttar Pradesh's 550 MW solar auction. The NTPC emerged as the lowest (L1) bidder in the auction conducted by the Uttar Pradesh New and UPNEDA for 550 MW of grid-connected solar projects. Looking back at the past few auctions in the state, there has been a decrease of 4.7 percent in solar tariffs quoted in successive auctions.

A UPNEDA official confirmed that the reverse auction for 550 MW of solar projects has ended and that NTPC quoted a tariff of Rs 3.02 (~\$0.0431)/KWH to develop 85 MW of grid-connected solar PV projects, EDF (Bastille Solar) quoted a tariff of Rs 3.04 (~\$0.0434)/KWH to develop 70 MW of solar, and it also quoted a tariff of Rs 3.07 (~\$0.0439)/kWh to develop another 70 MW.

NABARD signs pact with GCF to infuse \$100 mn for boosting solar power. NABARD (National Bank for Agriculture and Rural Development) has signed an agreement with GCF (Green Climate Fund) to infuse \$100 million into an ambitious project designed to unlock private sector initiatives for creation of rooftop solar power capacity across India. The \$250 million project, to be executed by Tata Cleantech Capital Ltd, will receive the GCF support through NABARD, which is the NIE (National Implementing Entity) for the UNFCC-promoted Fund that supports the efforts of developing countries to respond to the challenge of climate change, said the apex development bank, whose mission is to promote sustainable and equitable agriculture and rural development.

Shapoorji Pallonji wins India's first large-scale floating solar project. The Shapoorji Pallonji Group, has won a contract to develop India's first large-scale floating solar PV plant auctioned through SECI. This is a 50 MW plant which is part of 150 MW of floating solar power plants planned at Rihand Dam, Sonbhadra district, Uttar Pradesh. The plants were tendered by SECI in March 2018. The company won the project through the reverse auction mechanism by quoting a tariff of \$0.046/kWh. As per the contract, the company will be selling power to Uttar Pradesh Power Corporation Limited (UPPCL) for a period of 25 years.

Solar project: 70% cost to be taxed at 5%, says GST Council. The GST Council has offered the much awaited clarity for solar power project developers by defining the tax applicability on goods and services that develop a solar project. Project developers were confused as there were contradictory advance tax rulings that defined the applicable tax on composite orders where both services and goods were offered. The solar industry has been requesting for clarity of this issue for over 500 days since the sector was brought under GST. Effectively, if a company bags an EPC contract, it will now pay 5 per cent GST on up to 70 per cent of the total value of the contract. And pay 18 per cent on 30 per cent of the contract value.

REC trading trend reverses in December 2018: solar trade spikes while non-solar slumps. While trading activity in solar RECs spiked in December 2018, arresting a two-month slump, the nonsolar RECs plummeted after a two-month rise. In December 2018, a total of 177,247 solar RECs were traded, 118,370 more solar RECs than the 58,877 that were traded in November 2018. On the IEX (Indian Energy Exchange), a total of 88,272 solar RECs were traded with the sell bid at 254,012 and the buy bid at 865,574. On the IEX, the solar RECs were traded at a clearing price of Rs 1,450 (~\$20.75)/REC.

Solar industry demands uniform GST rate of 5 per cent. The Solar Power Developer Association (SPDA) has demanded the goods and services tax rate be kept uniform at 5 per cent on solar power generating system (SPGS) saying recent recommendations of the GST Council are inconsistent with the government's policy of promoting clean energy. The total incidence of tax on the SPGS would increase to 8.9 per cent with implementation of the GST Council recommendations finalised on December 22, 2018, which would be effective from January 1, 2019.

Mercom, 3 December 2019 The Hindu Business Line, 8 December 2018 Power Technology, 12 December 2018 Mercom, 28 December 2019 Economic Times, 30 December 2019



India to bid 80 GW of solar and wind energy projects by 2020. India has declared the trajectory of bidding 60 GW capacity of solar energy and 20 GW capacity of wind energy by March 2020, leaving two years time for execution of projects, MNRE said. A total of about 73.35 GW renewable energy capacity has been installed in the country as of October, 2018, from all renewable energy sources.

This includes about 34.98 GW from wind, 24.33 GW from solar, 4.5 GW from small hydro power, and 9.54 GW from bio-power. Further, projects worth 46.75 GW capacity have been bid out under installation.

India's wind power potential declining due to global warming: Study. The warming of the Indian Ocean due to global climate change may be causing a slow decline in India's wind power potential, according to a study. The study, published in the journal Science Advances, found that the Indian monsoon is weakening as a result of warming waters in the Indian Ocean, leading to a steady decline in wind-generated power. The research calculated the wind power potential in India over the past four decades and found that trends in wind power are tied to the strength of the Indian Summer Monsoon. Over the past 40 years, that energy potential has declined about 13 per cent, suggesting that as the monsoon weakened, wind power systems installed during this time became less productive, they said.

Vestas bags largest India order under wind energy auctions. Danish wind turbine giant Vestas Wind Systems announced it has bagged its largest order so far in India for commissioning a 252 MW Engineering, Procurement and Construction project. The order was placed by Vivid Solaire Energy, a subsidiary of Engie, and was awarded as part of the national level wind auctions organised by SECI (Solar Energy Corporation of India).

GE Renewable Energy bags largest EPC project in India. GE Renewable Energy announced it has been selected by ReNew Power, the country's largest renewable energy Independent Power Producer (IPP), to provide 120 GE 2.5-132 turbines for the Gadhsisa Wind Farm in Gujarat. The wind farm will have a total installed capacity of 300 MW, making it the largest full turnkey EPC project by GE Renewable Energy in India. The company said the project will power the equivalent of 11 lakh homes with clean and reliable electricity. ReNew Power had successfully bid for this project in the third round of auctions conducted by SECI in February 2018.

<u>The Economic Times</u>, 6 December 2018 | <u>The Economic Times</u>, 10 December 2018 | <u>The Economic Times</u>, 13 December 2018 | <u>The Economic Times</u>, 19 December 2019

Corporates/

Companies line up plans for lithium-ion batteries production. Over a dozen companies, ranging from auto component manufacturers to power and energy solutions providers, have rolled out plans to make lithium ion batteries locally, to cash in on the rush for green vehicles. The list includes Exide, Exicom, Amaron, Greenfuel Energy Solutions, Trontek, Coslight India, Napino Auto & Electronics, Amara Raja Batteries, BASF Catalysts, Trinity Energy Systems and Versatile Auto Components.

SB Energy and Adani Green win 840 MW at hybrid auction. SoftBank-backed SB Energy and Gautam Adani-led Adani Green Energy have won 840 MW of the 1,200 MW put on sale at the first wind-solar hybrid auction. SB Energy won 450 MW at Rs 2.67 per unit of electricity generated while Adani Green Energy won 390 MW at Rs 2.69 at the auction conducted by the SECI (Solar Energy Corporation of India). These were the only two developers who put in bids in the auction, leaving the remaining 360 MW with no takers. This is the second time SECI had put this bid. In the first attempt in May, there were no bidders at all. It was scaled down from 2,500 MW to 1,200 MW.

The Economic Times, 6 December 2018 The Economic Times, 10 December 2018

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