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(Energy Conservation : It Doesn't Cost. It saves)

20.06.2016

To meet renewable energy targets, states to buy wind power from TN

Times of India : June 20, 2016

The Tamil Nadu government is set to make a tidy profit through the sale of wind power, with power distribution companies in other states seeking Tamil Nadu Electricity Board's (TNEB) aid to bail them out of their renewable power purchase obligation (RPO). The RPO stipulates that 0.16-0.25% of the total power generation of a state (differing from state to state) should be met from renewable energy sources.

Of more than 10 states that have not met their RPO, four have sought the help of Tamil Nadu, which has the maximum installed renewable power generation capacity. It is reliably learnt that Tangedco is likely to sell about 1,000MW wind power to Uttarakhand, to start with, at 4.1 per unit. Tangedco, which purchases wind power at 3.35 per unit from private generation firms, will earn a profit of 75 paise per unit by selling the power.

According to the Electricity Act 2003, each state has to meet a percentage of power generated in the state annually through renewable power like wind and solar. "Now that the Tamil Nadu government has lifted section 11 of the Electricity Act, we can sell power to other states. Many states which have not met the RPO so far have approached us. The first state to seek wind power is Uttarakhand," a senior Tangedco official told TOI.

If a state does not fulfill the renewable purchase obligation, it will have to pay penal provisions, which include the cutting of central allocation of power to the state.

TNEB is taking the help of Southern Regional Load Despatch Centre (SRLDC) and National Load Despatch Centre (NLDC) to identify states which have not met the RPO so far. "We can even sell at 5.50 per unit to states which need renewable power but we are ready to offer it at 4.1 per unit. We have approached SRLDC and NLDC to tell us which states are looking for renewable power," said the official.

Tamil Nadu has stopped purchasing power from short term private power companies after the wind season started. "Even without short term power purchase, we can meet the demand as all thermal units of Tangedco and long-term companies are available. Since we have met our RPO, we decided to sell wind power to other states," said the official. Power demand is also less now in Tamil Nadu compared to two months ago due to better weather.

Wind power companies are happy to sell power to other states. "We came to know about Tangedco's decision a few days back and we were excited. It will help many small companies which have less than 2MW capacity to earn some income. With transmission lines available between various states, it is easy to transmit power to other states," a wind power company chief said.

Meanwhile, on Thursday, the state power utility set a new record by meeting more than 1/4th of its power supply through wind energy. "On Thursday, out of the 320 million units (MU) of power consumption in Tamil Nadu, 84MU was from wind power. This is a record for Tangedco," said the Tangedco official.

Not too keen on Cuddalore Powergen project: Tangedco

Business Line: June 16, 2016



The fate of Cuddalore Powergen's 1,320 MW project could soon be sealed with Tamil Nadu Generation and Distribution Corporation (Tangedco), with which it has a power purchase tie-up, saying it's no longer interested in the project due to inordinate delay.

Tangedco made the submission recently to the Tamil Nadu Electricity Regulatory Commission (TNERC) when a petition by Cuddalore Powergen seeking an extension of deadline came up for hearing. The TNERC has asked both the parties to file written submissions.

When contacted, Cuddalore Powergen officials said they remain committed to the project. Land acquisition for the 2x660 MW plant is progressing. A total of 1,100 acres is needed for the power plant and captive coal jetty and 775 acres have been acquired, environment clearance and coal jetty approval are in place and approvals are being revalidated. The power purchase agreement (PPA) with the utility is valid and binding and the company is only seeking an extension of time for financial closure, the officials said.

Stumbling blocks

The project had hit various stumbling blocks including the global financial crisis of 2008, power sector crisis of 2011, delays in PPA clearance and other procedural issues, they added.

Cuddalore Powergen, a project of the promoters of BGR Energy, envisages investment of Rs. 6,200 crore. It entered into an agreement with Tangedco in 2008 with a schedule to achieve financial closure in 12 months. But the deadline had to be extended and, in 2013, the TNERC granted a final extension up to April 2014.

BGR Energy sought two more years' extension in 2014. This petition has come up for hearing now. If the company had achieved financial closure by 2014, the first of the 660 MW unit would have gone on stream in November 2017 and the second by 2018.

Nuclear fuel loading over in Kudankulam Nuclear Power Plant unit 2, tests in progress

Economic Times :17-Jun-2016

Fuel loading has been completed in the 1,000 MW second unit of the Kudankulam Nuclear Power Plant in Tamil Nadu and the mandatory tests were in progress, a top official said today.

"KKNPP Unit 2 nuclear fuel loading has been completed and the required mandatory tests are in progress, prior to first approach to criticality," KKNPP Site Director RS Sundar said.

In tune with safety practices, "steam relief devices testing would be taken up now," he said.

The loading of the enriched uranium in the reactor of the second unit of the Indo-Russian joint venture project was taken up last month.

During the test, ambient noise level may marginally go up due to steam release to the atmosphere, whenever the safety valves open as part of the testing, he said in a release.

"Testing will be carried out during day time only," he said, adding the first unit which recommenced its operations from February 22 this year, has generated 950.91 crore units till today and it has been operating at its fully capacity of 1,000 MW.

Karnataka, Goa sign pact to join Uday scheme: Power Minister

The Indian Express: June 17, 2016

Power Minister Piyush Goyal said, Kerala, Tamil Nadu, West Bengal and Puducherry had also evinced interest to join the scheme after the end of elections.



Karnataka and Goa have signed an agreement to join the UDAY scheme meant for the revival of discoms that may result in a total gain of about Rs 4,570 crore to both the states over next 3 years.

Earlier in the month, the minister had said that Assam is also keen to join the UDAY scheme, which is aimed at reviving the debt-laden power distribution companies.

The other four states that recently went to assembly polls – Kerala, Tamil Nadu, West Bengal and Puducherry – had also evinced interest to join the scheme once the elections were over, the minister had said.

Government had earlier said that the Power Ministry would soon approach the Cabinet to seek approval for enabling private sector electricity distribution companies (discoms) to get operational benefits of the Ujwal DISCOM Assurance Yojana (UDAY).

Under this scheme for reviving financially stressed electricity distribution utilities, state governments takeover 75 per cent of the debt with the electricity distribution utilities. The remaining debt is issued as discom bonds, backed by state governments

India gets uniform helpline number for power snags

The Times of India: June 17, 2016

Power minister Piyush Goyal has announced a countrywide 24-hour uniform four-digit helpline number, 1912, that consumers can dial to lodge a complaint about faulty power lines or outages in their area.

Here's one more number to remember. Power minister Piyush Goyal on Friday announced a countrywide 24-hour uniform four-digit helpline number that consumers can dial to lodge a complaint about faulty power lines or outages in their area.

The minister announced the number - 1912 - at the end of a two-day conference of state power ministers at Panaji in Goa, the power ministry said in a statement. TOI had on May 12 first reported the government's move to launch the number.

The move is part of the energy sector reforms steered by Goyal ever since the Narendra Modi government came to power in 2014. One of the focus areas has been to use digital technology for improving systemic efficiency and empowering consumers by putting information on their fingertips through mobile apps.

The helpline number would connect to state or discom control rooms, which would dispatch repair teams from offices nearest to the caller's area. All data related to the complaint would be made available on a website and mobile app being developed.

Broadly, a complaint number would be generated once a call is placed to the number. The idea is that every detail what the consumer said, what reply he received, when the complaint was attended to, the nature of the problem should go on record. All these are supposed to be available through the net so that the Centre can monitor.

The backbone of the helpline system would be formed by integrating an expanded Vidyut Pravah - the mobile app that currently provides state-wise information on availability and price of power - with state's monitoring system.

The helpline number would roll out with states beginning district-level monitoring. The groundwork has already been laid in UDAY, the scheme launched to turn around state discoms. Metering at every level of the distribution network is one of the key conditions of the scheme. This would provide real time data and help in formulating a suitable response to any contingency.

Power Ministers resolved to focus in hydro and wind power

The Hindu: June 18, 2016



The Power Ministers of all the States resolved to focus on the hydro- and wind-power sectors and work out a comprehensive policy to revive some small (25 MW or less) stalled hydro projects. The resolution came at the end of the two-day meeting of state ministers held in south Goa.

Addressing a press conference, Union Minister for Power, Coal and Renewable Energy Piyush Goyal said that to provide a thrust to the hydro-power sector, a committee had been set up under the chairmanship of West Bengal Power Minister Manish Gupta, with inter-departmental officials and representatives of States, which will submit its recommendations by September 30.

All the Ministers resolved to provide 24x7 power to all households by May 2017, Mr. Piyush Goyal told the media on Friday evening.

In reply to a question, Mr. Goyal ruled out the Centre warning States of stopping finances over procurement of inferior material for its flagship schemes. "We don't warn anybody. Some apprehensions were expressed in the course of deliberations over-procurement and after discussions, it was resolved by all States to participate in Centralised procurement to avail of benefits like economies of scale, transparent pricing and better equipment."

Electricity for all

Mr. Goyal said that all States, except those affected by leftwing extremism, had resolved to electrify all villages by December 2016 and contracts for this would be issued within the next 30 days. The Minister also agreed to provide 100 per cent power to all households in 18,452 villages in the country by May 1, 2017.

The participating States also resolved to ensure that operational and financial milestones in the Memorandum of Understanding for the Ujwal Discom Assurance Scheme (UDAY) would be implemented.

All States resolved to procure henceforth only tamper-proof, communication-enabled 'smart meters'. The Minister said the cost of these smart meters had been brought down by 60 per cent, from Rs. 8,000 to Rs. 3,223 as a result of Central procurement. The price of these meters is expected to drop further to Rs. 999 in a few months.

The Minister also announced that a 4-digit phone number, 1921, had been started for consumer complaints across the country.

UDAY effect: With interest burden unplugged, more power to Discoms

The Business Line: June 15, 2016

Electricity consumption/requirement					(in million units)	
	April-May 2016	April-May 2015	April-May 2014	Growth in 2016 vs 2015 (in %)	Growth in 2016 vs 2014 (in %)	
Rajasthan	11,606.30	10,647	10,024	9.00	15.70	
Uttar Pradesh	18,256.10	17,441	17,504	4.60	4.20	
Bihar	4,156.60	3,944	2,690	5.30	54.00	
Haryana	7,802.40	7,106	6,663	9.80	17.00	
All India Total	2,01,151.10	1,87,496	1,83,471	7.20	9.60	

The Centre's scheme to engineer a financial turnaround of electricity distribution utilities is beginning to yield results on two fronts. One, power producers are finding that their cost of



generation is coming down. Two, distribution utilities, whose finances are in a better shape now, are buying more power.

To bail out debt-laden distribution utilities, the Power Ministry came out with the Ujwal DISCOM Assurance Yojana (UDAY), under which the State governments would take over 75 per cent of the distribution companies' debt and banks would convert that portion of the debt not taken over by the State government into loans or bonds. About 10 States have signed up for the UDAY scheme so far. The accumulated debt of the Discoms meant that interest expense formed a big chunk of power supply costs which could not be recovered through consumer tariffs. The scheme is to bail out debt-laden utilities; 10 States have signed up so far

The UDAY scheme will bring relief through savings in interest costs, reduction in technical and commercial loss, and lower cost of power purchase. Power generators would also benefit as they were under stress because of weak power demand from Discoms. The scheme improves the distribution utilities' ability to purchase power and also enable them to sign long-term purchase agreements. Plant load factors of coal-based plants were expected to improve because of all this.

States that signed up for UDAY would get additional priority funding, more coal at notified prices and lower cost of power through NTPC and other Central power utilities.

NTPC's Chairman and Managing Director Gurdeep Singh said the benefits of UDAY have started to show with demand rising in several States and also the public sector power producer bringing down its fuel cost without reducing the electricity supply.

"Some of the Discoms, which were really stressed with debt, have already started buying more power as debt has reduced, their cost of funding is down and some more elbow room is there for them to buy more power," Singh said.

The effect of higher demand has also been reflected in the plant load factors of thermal power plants. During April-May 2016, thermal power plants in the country operated at 64.83 per cent plant load factor as compared to 62.94 per cent in the same period last year. Plant load factor indicates the capacity utilisation of power plants.

"Already, in the year to date period, NTPC has generated 7 per cent more electricity than last year's comparative period," Singh added.

"Coal cost has been reduced from ₹2.30 in April 2015 to ₹1.6 a unit in April 2016. The reduction is due to the various steps taken by the government on fuel sourcing and efficient running of our plants. We believe that we will be able to further reduce this cost. However, there will be a limit to it sometime in the future," he said.

All India power demand in the first two months of the 2016-17 fiscal grew by 7.2 per cent to 201,151 million units compared to the same period last year, according to data from the National Load Dispatch Centre. The data measures the demand from electricity distribution utilities across all states.

States which had high debt at their electricity distribution utilities like Rajasthan, Uttar Pradesh and Bihar have shown an increase in power requirement by 9 per cent, 4.6 per cent and 5.3 per cent respectively as compared to the same period last year.

While weak power demand in 2015 has meant there is an aspect of low-base effect in the demand growth rate, if the 2016 figures are compared to 2014, the data indicates the demand growth is broad-based.

Despite the increase in demand, the domestic power plants generated ample electricity and brought down power deficit to new lows. In April 2016, the power deficit in the country stood at 1.2 per cent.



Guidelines For Tariff Based Competitive Bidding for 1000 MW Wind Power Project

Ministry of New and Renewable Energy of India has released scheme for installing 1000 MW of CTU connected Wind power plants in 2016-17 through competitive bidding on 14-06-2015, first of its kind for wind sector. Later on same date, MNRE also released draft guidelines for the bidding process and invited comments from the stakeholders on the same. The scheme will address India's energy security challenge and will promote ecologically sustainable growth of power sector.

With a current installed capacity of 28.68 GW as per CEA India has only explored 9.5% of its total potential of 302 GW at 100 meter height above sea level as per studies of National Institute for Wind Energy (NIWE). Most of the India's wind potential exist in the eight states namely Andhra Pradesh, Gujarat, Maharashtra, Karnataka, Madhya Pradesh, Rajasthan, Tamil Nadu and Telangana. GoI has set an ambitious target to install 60 GW by 2022 which requires the competitive and transparent framework for disbursement of wind projects. For the purpose MNRE has proposed guidelines for competitive bidding for wind projects and the comments are invited, the overview of which is as follows.

Objectives of Guidelines

1. Promote competitive procurement of electricity from Renewable Energy Sources by distribution licensees;
2. Facilitate transparency and fairness in procurement processes;
3. Facilitate reduction of information asymmetries for various Bidders;
4. Protect consumer interests by facilitating competitive conditions in procurement of electricity;
5. Enhance standardisation and reduce ambiguity and hence time for materialisation of projects;
6. Provide flexibility to sellers on internal operations while ensuring certainty on availability of power and tariffs for buyers

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