

TECA – NEWS CLIPPING

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

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Wind energy slows down thermal power production

The Hindu: August 8, 2016

In an unprecedented move, only two power generating units of Tuticorin Thermal Power Station (TTPS) are functional.

The other three units of the TTPS have been kept in a standby mode as the authorities were asked not to produce electricity, following the lowered demand for electricity.

It is a unique situation in the history of the TTPS as units one, three and four have been kept in a standby mode for over a week since last Saturday sources told *The Hindu* here on Sunday.

Currently, the production is on in the second and the fifth units, each with a production capacity of 210 MW.

Wind-powered energy production is at an optimum level, and it has brought down the demand for production of coal-fired energy from conventional thermal power station. This situation has led to a drastic reduction in coal usage in the thermal power station.

On a daily average, four tonnes of coal is required for production from a unit. A coal stock of five lakh tonnes is maintained in the plant now. To avoid any combustion in the stockyard, which could be caused by rising temperature, coal is being watered.

Sources said 25 per cent of the coal used in the plant was imported from Indonesia, and the rest was sourced domestically.

Sources from Non-Conventional Energy Source, TANGEDCO, Tirunelveli Circle, said 2,150 MW of wind energy was generated until noon on Sunday. On Saturday, this circle saw a production of 2,193 MW. The electricity production from wind mills did not go below 2000 MW in the last four or five days. On August 4, the production touched 2,215 MW.

Further, sources said a 1,800 Mega Volt Ampere (MVA) wind power substation, the highest capacity ever in Tamil Nadu, is likely to be commissioned at Kanarpatti near Kayathar either by September end or in the middle of October.

Besides, works were in progress to establish a 1030 MVA wind power substation at Thennampatti near Ottanatham, sources added.

Tamil Nadu launches online service for power consumers

The Indian Express: August 7, 2016

Chief Minister J Jayalalithaa launched the initiative on Friday, the government said on Sunday

In an e-governance initiative aimed at the common man in the power sector, the Tamil Nadu government has launched an online service for consumers to apply for low-tension service connections.

Chief Minister J Jayalalithaa launched the initiative on Friday, the government said on Sunday.



Accordingly, consumers can now apply online to secure a new low-tension (LT) service connection, upload all necessary documents on the Tamil Nadu Generation and Distribution Corporation (TANGEDCO) website and also make payment for this purpose, an official release said.

Provisions have been made to check the status and action taken on the application online itself, it said, adding that the measure will help save people time.

Currently, people have to contact the respective TANGEDCO offices with filled-in forms to apply for new LT connections, the release said. The state has 2.7 crore LT consumers.

The chief minister also inaugurated 23 power sub-stations constructed across the state at an estimated Rs 242.25 crore.

Discoms arbitrarily shutting off solar power, government tells CERC

The Economic Times: August 8, 2016

The Ministry of New and Renewable Energy (MNRE) has complained to the Central Electricity Regulatory Commission (CERC) that some discoms are not fully evacuating the solar power available to them, resulting in losses for solar developers.

Discoms have been arbitrarily shutting off power from solar projects, for varying lengths of time, often during peak consumption hours.

"Some load dispatch centres (LDCs) are asking solar projects to back down due to various reasons," Tarun Kapoor, joint secretary, MNRE, said in an August 2 letter to Shubha Sarma, secretary, CERC.

'Back downs', or temporary disconnection of some power sources from the grid, sometimes become inevitable if there is oversupply to the extent that it strains the grid. It is up to the discoms' LDCs to decide which power source should be blocked.

"Solar power projects have 'must run' status as there is no fuel cost," said Kapoor's letter.

"If any backing down is to be done, thermal projects should be asked to back down, so that some fuel is saved." But discoms prefer to back down power from renewable sources, such as solar and wind, since thermal power is usually cheaper. Also, renewable energy supply, by the very nature of sun and wind, is erratic or infirm, unlike thermal power. Though Kapoor's letter does not name any discom, industry sources said those in Rajasthan and Tamil Nadu were the main offenders. Sunil Bansal, general secretary, Rajasthan Solar Association (RSA), said the problem had been plaguing the state for some time.

"In fact, it has been increasing. On average, there are back downs of one hour a day during peak hours," he said.

"That amounts to 1,200 MW of capacity remaining unused." Among the companies affected in Rajasthan are SunEdison, Welspun, Mahindra, SolaireDirect, Fortum and Reliance Power. "The Rajasthan Power Procurement Centre is shutting down its substations, claiming it is being done for maintenance purposes," said Bansal. "In fact, they are buying power from the power exchange.

Our association has taken it very seriously as it will affect future tariffs. The RSA will soon submit a petition to the Ministry of Power in this regard." In Tamil Nadu, solar developers are considering approaching the Supreme Court for relief.

"We have already petitioned the Tamil Nadu Energy Regulatory Commission (TNERC) through the National Solar Energy Federation of India, but TNERC told us it does not have the power to adjudicate in disputes with discoms," said one of them.



"This problem has been going on for the past two months. There are shutdowns for up to two hours a day, resulting in daily losses of several lakhs." Companies affected in Tamil Nadu include SunEdison and Adani Green Energy.

Thermal power producers are paid a two-part tariff — one part for fixed costs incurred and the other for variable fuel costs. Thus, even if discoms do not take their power, they continue to be paid for their fixed costs. Solar and wind developers do not have this benefit since their entire cost is primarily in installation.

"When solar projects are asked to back down they do not even get the benefit of two-part tariff and are not paid anything for the loss of energy they suffer," said Kapoor's letter.

"This can make solar power unattractive, particularly when projects are being awarded through competitive bidding and tariffs have come down drastically. Some solar power developers have now started asking for two-part tariff for solar also."

Kapoor's letter noted that the CERC ought to emphasize solar energy's 'must run' status. "Solar developers must be paid full tariff if they are forced to back down in rare cases," the letter said. "It is requested that this issue is placed before the Forum of Regulators, so that some consensus can be reached on the issue."

Centre urges regulators to favour solar energy over thermal

The Hindu: August 7, 2016

The Ministry of New and Renewable Energy (MNRE) has asked power regulators to favour solar power over thermal power in situations of back downs.

This comes after some solar power developers complained about back downs for various reasons in certain States, including Tamil Nadu.

A recent report from India Ratings said Tamil Nadu, a frontrunner in renewable energy, widely curtailed the grid availability in the last three years and the phenomenon appeared to have spread to Rajasthan in 2016 and 2017.

In his letter to the Central Electricity Regulatory Commission (CERC), Tarun Kapoor, joint secretary of MNRE, said some solar developers had been asked to back down by load dispatch centres. "Solar power projects have must-run status, as there is no fuel cost and if any backing down is to be done, thermal projects should be asked to back down so that some fuel is saved," he wrote in his letter, which was also marked to Power Secretaries of all states.

In India, thermal projects enjoy two-part tariff, unlike solar power. One fixed tariff is paid even if the thermal plant is not producing power. When the thermal plant produces power, it is paid a variable tariff over and above the fixed tariff.

Mr. Kapoor pointed out that solar power projects do not get the benefit of two-part tariff and are not paid anything for the loss of energy they suffer in case of back down.

"This can make solar power unattractive particularly when projects are being allotted through competitive bidding and tariffs have come down drastically," he said.

He noted that some solar power developers had started asking for two-part tariff, but it would be difficult to oblige as most of the cost in solar power project is fixed.

He called for clear regulations by appropriate commissions to enforce must-run status for solar power project and they should be paid full tariff if they are forced to back down in rare cases.

Mr. Kapoor requested that the issue be placed before Forum of Regulators so that a consensus could be reached over the issue.



Chief Minister Jayalithaa recently urged Prime Minister Narendra Modi to speed up establishment of an inter-State green energy corridor to enable the State to sell surplus renewable energy to other States.

Solar power generators complain of being asked to back down by load dispatch centres

National Energy Policy by NITI Aayog to make polluter pay for emissions

The Economic Times: August 5, 2016

NITI Aayog is likely to unveil the new National Energy Policy in the next three months with a focus on air quality issue, renewable energy, natural gas, universal electrification and clean cooking fuel.

The policy will replace Integrated Energy Policy that envisioned a road map for sustainable growth with energy security over a reasonable period of time. It was approved by the Union Cabinet in December 2008 during UPA regime.

"The work on National Energy Policy is in advance stages. NITI Aayog would be able to bring out the policy in 10-12 weeks," a senior official said.

The official said, "The policy will replace the earlier Integrated Energy Policy. In addition to the areas covered under the existing policy, the new document will focus on air quality issue, renewable energy, natural gas, universal electrification and clean cooking fuel."

"Earlier policy did not cover natural gas exhaustively as the prices were very high in 2006-07. Secondly, the government is pushing renewables which would be covered under this. Since the government wants to provide electricity and clean cooking fuel to all. It will provide an outlook on these subjects," he said.

The official also said that the policy will also make a case of "polluter pays" in view of deteriorating air quality, industrial emission and vehicular pollution. The new policy will also incorporate energy modelling, which in other words is computerised simulation of a building or complex that focuses on energy consumption, utility bills and life cycle costs of various energy related items.

It is also used to evaluate 'payback' of green energy solutions like solar panels and photovoltaics, wind turbines and high efficiency appliances.

NITI Aayog is also working on a platform that will host all the data related to energy sector in the country including oil & gas, coal, solar & thermal energy etc.

The official said that it will take three to four years to develop this New Energy Data Agency. Aayog is in the process of inking a Memorandum of Understanding (MoU) with US Energy Information Administration (EIA) for this purpose.

In its run up to unveiling detailed road map for country's energy security, NITI Aayog is organising National Conference On Energy Data: Management, Modelling and GIS Mapping on next Wednesday.

During the conference, US Ambassador and UK High Commissioner will talk about India's collaborations with USAID and Department of Energy & Climate Change (UK).

Aayog is also working on geospatial map related to energy infrastructure to boost renewable sources.

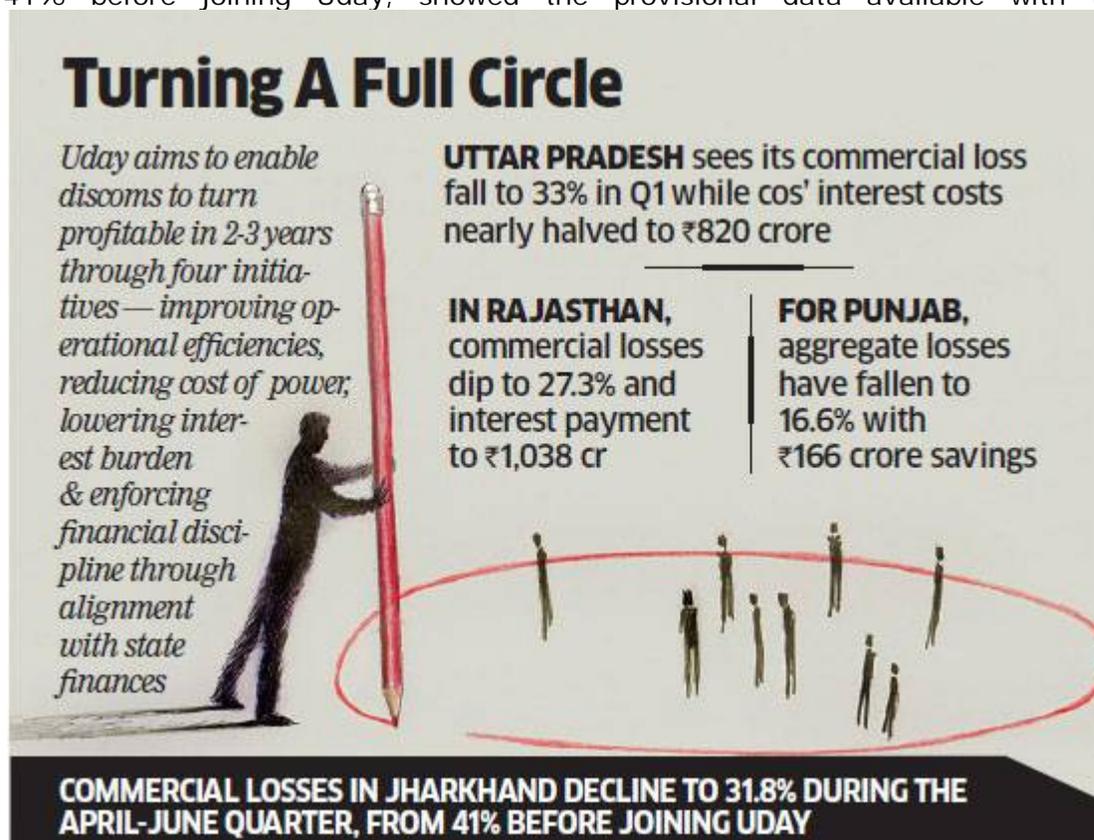
A promising start to Uday scheme with state discoms reducing commercial losses and interest costs

The Economic Times: August 8, 2016

State power distribution companies have sharply reduced commercial losses and interest costs, giving a promising start to Power Minister Piyush Goyal's Uday scheme that aims to set right electricity distribution, the biggest bottleneck in the sector.

The average power generation cost in the country has also come down by 13% to Rs 2.77 per unit in the three-month period ending June from Rs 3.19 per unit during April-June of 2015, a senior power ministry official said.

Preliminary data available with states for the first quarter of the current financial year shows that most states have reported reduction in the aggregate technical and commercial losses, which include electricity that goes unbilled due to non-metering and pilferage. The commercial losses in Jharkhand have declined to 31.8% during the threemonth period from 41% before joining Uday, showed the provisional data available with the state.



Turning A Full Circle

Uday aims to enable discoms to turn profitable in 2-3 years through four initiatives — improving operational efficiencies, reducing cost of power, lowering interest burden & enforcing financial discipline through alignment with state finances

UTTAR PRADESH sees its commercial loss fall to 33% in Q1 while cos' interest costs nearly halved to ₹820 crore

IN RAJASTHAN, commercial losses dip to 27.3% and interest payment to ₹1,038 cr

FOR PUNJAB, aggregate losses have fallen to 16.6% with ₹166 crore savings

COMMERCIAL LOSSES IN JHARKHAND DECLINE TO 31.8% DURING THE APRIL-JUNE QUARTER, FROM 41% BEFORE JOINING UDAY

Uttar Pradesh that goes to polls next year has reported a fall in commercial loss to 33% in first quarter of the current financial year from the 34.2% in the corresponding period last year. The commercial losses in Rajasthan have decreased to 27.3% from 28.5%, while Punjab's aggregate losses have fallen to 16.6% from 15.9%.

The interest cost outgo of the state power distribution utilities has also reduced following takeover of debt by respective state governments. The interest burden of Uttar Pradesh power distribution companies has nearly halved to Rs 820 crore during April-June this year against Rs 1,742 crore in the corresponding quarter last fiscal. In Rajasthan, electricity distribution companies paid Rs 1,038 crore towards interest against Rs 1,961 crore in April-June quarter last financial year. Punjab posted Rs 166 crore savings and Haryana Rs 187 crore on interest outgo.



These states joined Uday before March this year. At present, power distribution companies of 14 states are part of Uday. Puducherry will be the 15th state to join Uday and is likely to sign agreement next week.

The provisional data has been provided by the states to the Union power ministry in review and monitoring meetings. The power ministry reviews progress of the Uday scheme in participating states in its monthly monitoring meetings.

Besides, power minister Piyush Goyal has held an exclusive meeting to review its implementation while power secretary PK Pujari has taken four such meetings till date. The scheme is monitored at distribution companies' level by their chairmen and at state level by chief secretaries or principal energy secretaries.

The power ministry is putting in place a mobile application in two months to monitor the progress of Uday under 26 financial and operational parameters. The application will make data on progress in implementation of Uday in various states accessible to all.

Uday aims at enabling discoms to turn profitable in the next 2-3 years through four initiatives —improving operational efficiencies, reducing cost of power, interest burden and enforcing financial discipline through alignment with state finances.

The scheme mandates states to take measures like compulsory smart metering, upgrade of transformers and meters, promoting energy efficient LED bulbs, agricultural pumps, fans and air-conditioners to reduce commercial losses from 22% to 15% and decrease gap between cost of power and tariffs.

Save Energy. Save Money. Save the Planet

Please see the website at www.tecaonline.in for previous issues of TECA News letter