

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 3976
TO BE ANSWERED ON 12.12.2019

BIOMASS ENERGY SECTOR

3976. COL. RAJYAVARDHAN RATHORE

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether any steps are being taken to utilise rice stubble as a source of raw material in the biomass energy sector and if so, the details thereof;
- (b) whether any subsidies being given to biomass and briquetting plants to promote bioenergy and if so, the details thereof;
- (c) whether there is a minimum requirement of use of biomass in other energy conversion plants in the country and if so, the details thereof along with its implementation;
- (d) whether there is a national regulator for bioenergy sector and if so, the details thereof and if not, the reasons therefor along with the obstacles being faced by the bioenergy sector;
- (e) the steps being taken by the Government to facilitate growth in this sector; and
- (f) whether biomass plants fall under the Micro, Small and Medium Enterprises category and if so, the details thereof?

ANSWER

THE MINISTER OF STATE (I/C) FOR NEW & RENEWABLE ENERGY, POWER and MoS
for SKILL DEVELOPMENT AND ENTREPRENEURSHIP

(SHRI R.K. SINGH)

(a) The Ministry has a scheme to support biomass based cogeneration in sugar mills and other industries (up to March 2020). The scheme is applicable to power plants using all types of biomass like bagasse, rice husk, rice stubble etc.

(b) The scheme supports biomass based cogeneration projects with Central Financial Assistance (CFA) @ Rs 25 Lakhs / MW of surplus exportable capacity and Rs 50 Lakhs / MW of installed capacity depending on the type of fuel used. However, there is no specific scheme to support briquetting plants in the Ministry.

(c) Ministry of Power has issued a policy in November 2017 to use 5-10 % of biomass pellets along with coal for power generation in Thermal Power Plants and in order to promote use of the Biomass pellets, Central Electricity Authority (CEA) had written to all Central /State Utilities, State Governments, Power Equipment Manufacturers/IPPs/Generation Companies. As per the policy, CEA has developed specifications for Bio-mass pellets and will provide technical assistance/ advice to Utilities on use of Bio-mass pellets for blending with coal in coal based thermal power plants.

National Thermal power Corporation (NTPC) has test fired the biomass pellets in their Dadri Thermal Power Plant (TPP) and had taken steps to procure biomass pellets for their power station across the country. Tendering process for approximately 20,000 TPD had been initiated and purchase orders for an emergency procurement of 160 Tonnes Per Day (TPD) (in view of approaching crop harvesting season in Punjab and Haryana) had been placed on 15.10.2019 for supply of pellets to Dadri TPP.

(d) Central Electricity Regulatory Commission (CERC) deals with matters related in electricity generation from all sources including Renewable Energy sources.

Lack of reliable biomass supply chain, lack of working capital, tariff issues with Central Electricity Regulatory Commission are some of the obstacles faced by the bioenergy sector.

(e) The Ministry has the following schemes to facilitate growth in bioenergy sector:-

1. Scheme to support biomass based cogeneration in sugar mills and other industries (up to March 2020).
2. Programme on Energy from Urban, Industrial and Agricultural Wastes/Residues for 2017-18, 2018-19 & 2019-20
3. Biogas Power (Off-grid) Generation and Thermal Application Programme

4. New National Biogas and Organic Manure Programme

(f) Micro Small and Medium Enterprises (MSMEs) are classified on the basis of investment in Plant & Machinery for manufacturing enterprises or investment in equipments for service enterprises as per the provisions of Micro Small and Medium Enterprises Development Act, 2006. Therefore the classification of MSMEs is on the basis of investment in plant & Machinery/equipment and not on the basis of category of plant.
