

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO-464
ANSWERED ON-22/07/2021

GREEN TARIFF POLICY

464. SHRIMATI SUPRIYA SULE
SHRI MANICKAM TAGORE B
DR. DNV SENTHILKUMAR. S
SHRI SUNIL DATTATRAY TATKARE
SHRI KULDEEP RAI SHARMA
DR. AMOL RAMSING KOLHE
DR. SUBHASH RAMRAO BHAMRE

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

- (a) whether the Government proposes to formulate a green tariff policy that will help electricity distribution companies (DISCOMs) to supply electricity generated from clean energy sources at a cheaper rate as compared to power from conventional fuel sources such as coal and if so, the details thereof;
- (b) whether the Government also proposes to formulate a set of rules and guidelines to enable such a mechanism and if so, the details thereof;
- (c) whether the green tariff will be slightly lower than the conventional fuel sources and if so, the steps taken by the Government to further bring down the green tariff so that use of clean energy could be enhanced;
- (d) whether India is running the world's largest clean energy programme to achieve 175 gigawatt (GW) of renewable capacity, including 100 GW of solar power by 2022 and if so, the details thereof along with the steps taken to achieve the target; and
- (e) the other steps taken by the Government to attract large green electricity consumers for setting up of their own captive green energy plants?

ANSWER

THE MINISTER OF NEW & RENEWABLE ENERGY AND POWER

(SHRI R.K. SINGH)

(a) to (b) Yes Sir.

(c) &(d) Green tariff would depend upon the actual cost of procurement of renewable power by the distribution company and additional costs including in transmission, distribution etc.

India's renewable energy programme is one of the largest in the world. The Government has taken several steps to promote renewable energy in the country and reduce its cost. These include:-

- permitting Foreign Direct Investment (FDI) up to 100 percent under the automatic route,

- waiver of Inter State Transmission System (ISTS) charges for inter-state sale of solar and wind power for projects to be commissioned by 30th June 2025,
- declaration of trajectory for Renewable Purchase Obligation (RPO) up to the year 2022,
- setting up of Ultra Mega Renewable Energy Parks to provide land and transmission to RE developers on a plug and play basis,
- schemes such as Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM), Solar Rooftop Phase II, 12000 MW CPSU Scheme Phase II, etc,
- laying of new transmission lines and creating new sub-station capacity for evacuation of renewable power,
- notification of standards for deployment of solar photovoltaic system/devices,
- setting up of Project Development Cell for attracting and facilitating investments,
- Standard Bidding Guidelines for tariff based competitive bidding for procurement of Power from Grid Connected Solar PV and Wind Projects.
- Introduction of Green Term Ahead Market (GTAM)
- Issuance of Rights of Consumer rules to make the Consumers producing renewable energy to be recognized as Prosumers
- Government has issued orders that power shall be dispatched against Letter of Credit (LC) or advance payment to ensure timely payment by distribution licensees to RE generators.

(e) The Electricity Act 2003 grants captive power generators, the right to open access (Section 9); and exempts captive power generators from cross subsidy charges.

Further, Government of India has promulgated Electricity (Rights of Consumers) Rules, 2020 laying down the rights of power consumers which inter-alia, include the rights to set up Renewable Energy (RE) generation unit including roof top solar photovoltaic (PV) systems.
