

**GOVERNMENT OF INDIA
MINISTRY OF POWER
LOK SABHA
UNSTARRED QUESTION NO.1882
ANSWERED ON 09.12.2021**

ENERGY CONSERVATION ACT

1882. SHRIMATI SARMISTHA SETHI:

**Will the Minister of POWER
be pleased to state:**

- (a) whether there is any proposal to amend the Energy Conservation Act, 2001 to specify minimum quantum of renewable energy in the overall energy conservation;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to promote and encourage production and use of renewable sources of energy in the country?

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) & (b) : Yes, Sir. The proposed amendments to the Energy Conservation Act, 2001 inter-alia seek to prescribe minimum share of consumption of non-fossil energy sources by designated consumers as energy or feedstock. This will help in reduction of fossil fuel-based energy consumption in selected industries as well as reduction in carbon emissions to the atmosphere.

(c) : The steps taken by the Government to promote and encourage production and use of renewable sources of energy in the country are given below:-

- **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.**
- **Waiver of transmission charges allowed for trading of electricity generated/ supplied from solar, wind, Pumped Storage Plant (PSP) and Battery Energy storage System (BESS) in GTAM and Green Day Ahead Market (GDAM) for two years i.e.till 30-06-2023.**
- **Laying of new transmission lines and creating new sub-station capacity under the Green Energy Corridor Scheme for evacuation of renewable power.**
- **Declaration of trajectory for Renewable Purchase Obligation (RPO) up to the year 2022.**

- **Declaration of trajectory for Hydro Purchase Obligation (HPO) upto the Year 2029-30.**
- **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.**
- **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 process for procurement of Power from Grid Connected Solar PV and Wind Projects.**
- **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.**
- **Green Term Ahead Market (GTAM) launched to facilitate procurement of RE power through power exchange in the country.**
- **Conducting skill development programmes to create a pool of skilled manpower for setting up, operation and maintenance of RE projects.**
- **Must Run Status: CERC has given treatment of must run to solar and wind power in Indian Electricity Grid Code (IEGC) in Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010, which is further enriched and enlarged in subsequent amendment in mentioned regulation.**

Further, Ministry of Power (MoP) has notified “Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021” and according to which wind, solar, wind-solar hybrid or hydro power plant (in case of excess water leading to spillage) or a power plant from any other sources, as may be notified by the Appropriate Government, which has entered into an agreement to sell the electricity to any person, shall be treated as a must-run power plant.

- **Development of Renewable Energy Management Center (REMC) – For smooth operation of the Grid with integration of high RE sources, 12 nos. of REMCs have been commissioned and one REMC is under implementation. The operators have started using these REMCs for forecasting and scheduling of RE generation to the best possible extent.**
- **Development of Green Energy Corridor - The Green Energy Corridors aim to evacuate electricity produced from renewable sources, such as solar and wind, and integrate them into the grid.**
- **Flexibility in Generation and Scheduling of Thermal/Hydro Power Stations through bundling with Renewable Energy and Storage Power – Ministry of Power (MoP) vide notification dated 15th November, 2021 has notified revised Scheme for Flexibility in Generation and Scheduling of Thermal/Hydro Power Stations through bundling with Renewable Energy and Storage Power.**

- **Waiver of Inter-State Transmission Charges on Transmission of the Electricity generated from Solar and Wind Sources of Energy – For encouraging RE capacity addition including solar, MoP has issued revised orders (dated 23.11.2021 and 30.11.2021) for Waiver of Inter-State Transmission Charges on Transmission of the Electricity generated from Solar and Wind Sources of Energy.**
- **Exemption from Unscheduled Injection/Deviation charges- Central Electricity Regulatory Commission (CERC) has given relaxation to Deviation Charges for RE Plants in Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2019 and its amendments.**
- **Green Day Ahead Market (GDAM) – GDAM launched in October, 2021 facilitates a marketplace for trading of RE Power on a day-ahead basis for accomplishment of green targets as well as support integration of Green energy including solar energy in an efficient, competitive and transparent manner.**
- **Development of Storage infrastructure- Government of India has taken various steps and formed committees for development of storage capacity in India that will help large scale RE Integration in to the system. In this regard, Ministry of Heavy Industries (MHI) has brought out a Production Linked Incentive (PLI) Scheme viz: 'National Programme on Advanced Chemistry Cell (ACC) Battery Storage' for achieving manufacturing capacity of fifty (50) Giga Watt Hour (GWh) of ACC and 5 GWh of "Niche" ACC with an outlay of Rs.18,100 crore.**
- **Enabling the mechanism of Renewable Energy Certificate and their transaction on Energy Exchange- It is aimed at addressing the mismatch between availability of RE resources in State and the requirement of the obligated entities to meet the renewable purchase obligation (RPO).**
- **Policy Support and Financial Assistance to RE Projects – Government is extending various policy support and financial assistance (Capital Subsidy, viability Gap Funding - VGF) through various schemes for establishment of Solar park, Roof-top solar, solar pump, Wind Power, Biomass Energy, Waste to Energy, etc.**
- **Domestic Manufacturing of Solar panels: Keeping in view the target of huge RE power integration in the grid, Government has launched Production Linked Incentive (PLI) scheme for manufacturing capacity of Solar Panels in the country.**
- **Hydrogen Economy and Infrastructure: Government of India has launched National Hydrogen Mission for early development of Hydrogen (H₂) Economy Infrastructure in the Country with focus on Green Hydrogen.**
