

GOVERNMENT OF INDIA  
MINISTRY OF NEW AND RENEWABLE ENERGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2675**  
ANSWERED ON 11/12/2024

**UNSOLD ENERGY**

2675. SHRI MANISH TEWARI

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

- (a) the total quantum of renewable energy capacity including solar and wind that remains unsold till date;
- (b) the reasons behind renewable energy projects failing to secure Power Purchase Agreements (PPAs) or Power Supply Agreements (PSAs) in the country;
- (c) the total number of auctions conducted by the Solar Energy Corporation of India (SECI) that have resulted in unsold capacity during the last five years; and
- (d) the manner in which the Government proposes to ensure that newly auctioned renewable energy projects do not face the same challenges of unallocated power?

**ANSWER**

**THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER**

**(SHRI SHRIPAD YESSO NAIK)**

(a) There is no such utility scale renewable power generation capacity which has been commissioned under the renewable power procurement bids issued by Renewable Energy Implementing Agencies (REIAs) of the Ministry of New & Renewable Energy (MNRE), namely Solar Energy Corporation of India Limited (SECI), NTPC Limited (NTPC), NHPC Limited (NHPC) and SJVN Limited (SJVN), that remains unsold.

The process involves issuance of Letters of Award by REIAs after selection of successful bidders through transparent competitive bidding, followed by the signing of Power Sale Agreements (PSAs) between REIAs, acting as intermediary procurers and State Electricity Distribution Companies (DISCOMs), acting as end procurers. Thereafter, Power Purchase Agreements (PPAs) are signed between REIAs and renewable power generators selected through bidding. Once PSAs and PPAs are signed, then the development of the renewable power project starts and after commissioning of the project, the power generated therefrom is immediately sold as per the signed PSAs and PPAs.

(b) Renewable energy projects are not failing to secure Power Purchase Agreements (PPAs) or Power Sale Agreements (PSAs).

The quantum of unsigned PSAs / PPAs is primarily on account of significant rise in the quantity of renewable power that has been bidded out in recent past. PSAs and PPAs are being signed and REIAs have signed PSAs of around 15 GW in respect of renewable energy procurement bids issued by REIAs in FY 2023-24.

Signing of PPAs and PSAs is contingent upon several developments which inter-alia include:

- i. Time taken by the concerned Electricity Regulatory Commissions for adoption of the tariffs discovered through transparent competitive bidding.
- ii. Time taken by the concerned State Electricity Regulatory Commission (SERC) for approval under Section 86(1)(b) of the Electricity Act, 2003.
- iii. Time taken by DISCOMs in obtaining requisite internal/ State Government approvals for entering into PSAs with REIAs.

(c) Does not arise in view of reply to (a) above.

(d) The Section 14 (x) of the Energy Conservation Act, 2001, as amended by Energy Conservation (Amendment) Act, 2022, delegates powers to the Central Government to specify minimum share of consumption of non-fossil sources by designated consumers as energy or feed stock. The distribution licensees have also been notified as designated consumers under the Energy Conservation Act, 2001. In terms of Section 14 (x) of the amended Energy Conservation Act, 2001, the Ministry of Power through notification dated 20.10.2023, has specified minimum share (as mentioned in Table at **Annexure-I**) of consumption of renewable energy by the electricity distribution licensees as a percentage of total share of energy consumption, with certain conditions. The above notification has come into force on 1<sup>st</sup> April 2024.

Ministry of Power vide letter dated 26.09.2024 has conveyed to the State Governments that the renewable consumption obligation notified under Energy Conservation Act, 2001, needs to be followed by the obligated entities and has requested them to take appropriate measures to meet the obligations for consumption of renewable energy as per the specified targets.

\*\*\*\*\*

Annexure referred to in reply of part (d) of the Lok Sabha Unstarred Question No. 2675 for 11.12.2024 regarding 'Unsold Energy'

| Sl. No. | Year    | Wind Renewable Energy | Hydro Renewable Energy | Distributed Renewable Energy | Other Renewable Energy | Total Renewable Energy |
|---------|---------|-----------------------|------------------------|------------------------------|------------------------|------------------------|
| 1.      | 2024-25 | 0.67%                 | 0.38%                  | 1.50%                        | 27.35%                 | 29.91%                 |
| 2.      | 2025-26 | 1.45%                 | 1.22%                  | 2.10%                        | 28.24%                 | 33.01%                 |
| 3.      | 2026-27 | 1.97%                 | 1.34%                  | 2.70%                        | 29.94%                 | 35.95%                 |
| 4.      | 2027-28 | 2.45%                 | 1.42%                  | 3.30%                        | 31.64%                 | 38.81%                 |
| 5.      | 2028-29 | 2.95%                 | 1.42%                  | 3.90%                        | 33.10%                 | 41.36%                 |
| 6.      | 2029-30 | 3.48%                 | 1.33%                  | 4.50%                        | 34.02%                 | 43.33%                 |