

Reforms and Regulations

❖ The **Central Electricity Regulatory Commission (CERC)** has **issued the CERC (Terms and Conditions for Dealing in Energy Savings Certificates) (First Amendment) Regulations, 2022**. As per the amendment, the floor price for the trading of energy saving certificates as mentioned in the energy conservation rules will be fixed at 10 per cent of the price of one metric tonne of oil equivalent of energy consumed as may be notified by the central government, for every perform, achieve and trade (PAT) cycle.

Central Sector

❖ The **Central Electricity Authority** has **issued a detailed plan on transmission system for integration of over 500 GW non-fossil capacity by 2030**. The planned additional transmission systems required include 8,120 ckt. km of high voltage direct current transmission corridors (+800 kV and +350 kV), 25,960 ckt. km of 765 kV AC lines, 15,758 ckt. km of 400 kV lines and 1,052 ckt. km of 220 kV cable at an estimated cost of Rs 2.44 trillion. With the planned transmission system, the inter-regional capacity will increase to about 150,000 MW by 2030 from 112,000 MW at present. The plan also envisages the installation of battery energy storage capacity of the order of 51.5 GW by 2030 to provide round-the-clock power to end-consumers.

❖ The **Ministry of New and Renewable Energy (MNRE)** has **extended the Rooftop Solar Programme till March 31, 2026** and therefore, **subsidy under the programme** will be **available** until the target under the programme is achieved. On the national portal, any consumer willing to install rooftop solar from any part of the country can apply and track complete process starting from registration to release of subsidy directly into his bank account. The subsidy under national portal has been fixed at Rs 14,588 per kW (for capacity upto 3 kW).

❖ **India**, reportedly, is **planning to build more nuclear power plants to increase the production of clean energy**. The government has approved five new sites for nuclear power plants and given the financial go-ahead to build ten 700-MW pressurised heavy water reactors.

❖ In a recent press statement, the **Ministry of Power** has stated that **preliminary analysis** of data for 2021-22, of 56 discoms contributing to more than 96 per cent of input energy, indicates that the **aggregate technical and commercial (AT&C) losses** of discoms have **declined** to around **17 per cent in 2021-22** from 22 per cent in 2020-21. The reduction in AT&C losses has resulted in reduction in the gap between average cost of supply and average revenue realised from Re 0.69 per kWh in 2020-21 to Re 0.22 per kWh in 2021-22.

State Sector

❖ **Odisha government** has **announced its Renewable Energy Policy, 2022**. The policy will remain active till March 31, 2030. Any renewable energy technology projects and pilot projects commissioned in the state will be guided by the policy. The policy offers numerous incentives like exemption of Re 0.50 per unit on electricity duty to captive and open access consumers on consumption of energy from renewable energy projects setup inside the state, and on energy storage projects based on any technology for a period of 15 years.

❖ **Grid Corporation of Odisha (GRIDCO)** has **signed a memorandum of understanding (MoU) with SJVN Green Energy Limited for developing 1,000 MW hydro-electric project and 2,000 MW solar project in Odisha through a joint venture company**. It will entail an investment of Rs 200 billion. In a separate development, GRIDCO has entered into a MoU with NLC India Limited for setting up ground mounted/floating solar power projects, pumped hydro storage projects, green hydrogen and other renewable energy projects in Odisha. The projects will enhance green generation capacity and help in achieving energy transition goals.

❖ The **Maharashtra Electricity Regulatory Commission (MERC)** has **given approvals to three power utility firms in Mumbai for procurement of 959 MW of renewable energy**. In the first order, it allowed Brihanmumbai Electric Supply and Transport Undertaking to procure 234 MW solar power from Solar Energy Corporation of India Limited (SECI). The renewable energy will be used to charge electric buses. In the second order, MERC allowed Adani Electricity Mumbai Limited for long-term procurement of 500 MW from grid connected renewable energy power projects. This will be complemented with power from any other source on round-the-clock basis, under tariff-based competitive bidding process. In the third order, MERC gave approval to Tata Power for long-term procurement of 225 MW capacity from grid-connected wind-solar hybrid power projects through a competitive bidding process.

Private Sector

- ❖ **Adani Green Energy Limited (AGEL)** has **commissioned a 450 MW solar-wind hybrid power plant in Jaisalmer, Rajasthan**. This project consists of 420 MW solar and 105 MW wind plants. The plant has power purchase agreement (PPA) with SECI at Rs 2.67 per kWh for 25 years. The plant is housed in AGEL's subsidiary, Adani Solar Energy Jaisalmer One Private Limited. With this, AGEL now has an operational hybrid power generation capacity of 1,440 MW.
- ❖ **Jindal Stainless Limited (JSL)** has **partnered with ReNew Power to develop its proposed utility-scale captive 300 MW hybrid energy project**, which will **supply power** to its **facility in Jajpur, Odisha**. The project will generate 700 MUs of green energy annually. The project is expected to start commercial operations by May 2024 and will aid in carbon abatement by over 650,000 tonnes per year.
- ❖ JSW Energy Limited's arm, **JSW ReNew Energy Two Limited**, has **commissioned 27 MW wind energy generation capacity at Tuticorin in Tamil Nadu** as part of the **first phase** of its **450 MW interstate transmission system-connected wind power project**. The project was awarded under SECI Tranche X. This is the company's first greenfield wind power project to be commissioned. The project has a PPA with SECI for a period of 25 years. Additionally, the company is constructing 1.8 GW of greenfield renewable energy capacity.
- ❖ **Sterlite Power** has **announced the acquisition of Kishtwar Transmission Limited**, a special purpose vehicle (SPV) from **PFC Consulting Limited**. The project was awarded to Sterlite Power through tariff based competitive bidding process in March 2022. Through the Kishtwar Transmission Limited SPV, the company will build, own, operate and maintain a critical transmission project in Jammu & Kashmir for a period of 35 years.
- ❖ **Amazon India** has **announced two wind-solar hybrid projects in India with Vibrant Energy**. These two projects represent a total of 300 MW of renewable energy capacity and will be based in the states of Madhya Pradesh and Karnataka. Upon commissioning, these projects are expected to generate 1,163 GWh of clean energy. The project will operate on standalone basis.

Projects and Ventures

- ❖ **Greenko Group** has **emerged as the lowest bidder in the 3,000 MWh energy storage tender** floated by **NTPC Renewable Energy Limited (NTPC REL)**. Italy-based Enel Group's Indian arm Enel Green Power, JSW Neo Energy Limited, Hinduja Renewables Energy Private Limited, HES Infra Private Limited, and India Grid Trust (IndiGrid) were among the other companies that bid in the auction. Greenko's lowest bid was for Rs 5 per kWh on a single cycle per day basis, with effective storage charges to be far lower than Rs 2.5 per kWh.
- ❖ **Tata Power Delhi Distribution Limited's (Tata Power-DDL) auction for 255 MW of wind-solar hybrid power projects was won by Tata Power Renewable Energy Limited (TPREL)**, by quoting a price of **Rs 3 per kWh**. Tata Power-DDL will enter into a 25-year PPA with TPREL. Tata Power-DDL issued a tender in September 2022 to build, own, and operate 255 MW of wind-solar hybrid power projects across India with a greenshoe option for an additional 255 MW. Tata Power-DDL has specified a capacity breakdown of 85 MW solar and 170 MW wind power in the tender. Power supply from the project is expected to start in 2024.

Debt and Equity

- ❖ **AGEL**, through its subsidiary **Adani Solar Energy AP Six Private Limited**, has **raised Japanese Yen (JPY) denominated facility to refinance its debt**. The facility will amortise project loan facility of JPY 27.95 billion and assess the 16-year debt structure with door-to-door tenor of 10 years and average tenor of more than 8 years. MUFG Bank and Sumitomo Mitsui Banking Corporation will support the transaction in equal participation as principal lenders for the facility. Latham & Watkins LLP and Cyril Amarchand Mangaldas are legal counsels for the transaction.
- ❖ **Inox GFL Group** has **raised around Rs 15 billion across its entities to pare down debt**. Around Rs 7.40 billion was raised through an initial public offering of Inox Green Energy Services Limited, which has majorly been utilised towards debt repayment. Further, the promoters have raised Rs 7.20 billion through sale of shares of Gujarat Fluorochemicals Limited (GFL). The sale proceeds, Rs 6.23 billion (net of expenses and taxes), have been infused in Inox Wind Limited (IWL). In turn IWL has repaid the advances it took from GFL to set up wind energy capacities.