# GOVERNMENT OF INDIA MINISTRY OF POWER RAJYA SABHA UNSTARRED QUESTION NO. 3167

ANSWERED ON 28.03.2023

### INTEGRATION OF RENEWABLE ENERGY

## 3167. SHRI MANAS RANJAN MANGARAJ: SHRI SUJEET KUMAR:

Will the Minister of **POWER** 

be pleased to state:

- (a) the steps being taken by Government to ensure variable renewable energy integration in the inter-connected national grid;
- (b) the steps being taken to ensure that the DISCOM clears their dues to power generation companies;
- (c) whether Government has issued any advisory to States to ensure that they do not renege from already negotiated power purchase agreements, if so, the details thereof;
- (d) whether Government has taken or has proposed to take some steps towards making people aware of the renewable sources of energy; and
- (e) the percentage of houses which have installed solar panels on their rooftops under any Central schemes?

## ANSWER

#### THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

- (a): The steps taken by the Central Government to facilitate Renewable Energy (RE) integration in the National Inter-connected Grid include:
  - i. Construction of Intra-State and Inter-State transmission systems for evacuation of Renewable power.
  - ii. Transmission plan for integration of more than 500 GW RE capacity by 2030 has been prepared.
- iii. Setting up of Regional Energy Management Centers (REMCs) for better forecasting of renewable power and to assist grid operators to manage variability and intermittency of renewable power.

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- iv. Innovative products like Solar-Wind Hybrid Projects, RE projects with energy storage systems and supply of RE power balanced with power from non-RE sources launched to reduce intermittency.
- v. Flexibility in generation and Scheduling of Thermal/Hydro Power Stations through bundling with Renewable Energy and Storage Power.
- vi. Implementation of Green Term Ahead Market (GTAM) and Green Day Ahead Market (GDAM) for sale of renewable energy.
- vii. Waiver of Inter-State Transmission Charges on transmission of electricity generated from Solar and Wind.
- **(b):** Following steps, inter-alia, have been taken to ensure that DISCOMs clear their dues to Power Generation Companies:
  - i. Ministry of Power vide its Order No. 23/22/2019-R&R dated 28.06.2019 has made it mandatory for Distribution Licensees/Procurers of Power to open and maintain adequate Letter of Credit (LoC) as Payment Security Mechanism under Power Purchase Agreements (PPAs). As per the said Order, National Load Despatch Centre (NLDC) and Regional Load Despatch Centre (RLDC) would dispatch power only after it is intimated by Generating Company and/or Distribution Companies that LoC for the desired quantum of power has been opened.
  - ii. Ministry of Power has notified Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 on 03.06.2022 in order to ensure payment discipline in the power sector value chain. These Rules entail obligations upon the DISCOMs to clear their legacy dues as existing on 03.06.2022, in a time bound phased manner in equated monthly installments with benefits of non-applicability of late payment surcharge after 03.06.2022. However, failure to repay the installment of legacy dues in accordance with the Rules would invite Late Payment Surcharge (LPS) on the entire outstanding amount. The LPS Rules also provide penal framework to ensure time bound clearance of current dues and establishment of Payment Security Mechanism as provided in PPA through disincentives of progressive withdrawal of open access as well as power regulation if the provisions of the Rules are not followed. DISCOMs can avail loans from PFC Ltd. and REC Ltd. to clear their legacy dues to Generating Companies.
- (c): Government from time to time have conveyed to States that contracts must be honoured. The Standard Bidding guidelines for Solar, Wind and Hybrid Projects have specific provision for termination compensation in case of unilateral termination of PPA. The guidelines also provide for a three-tier payment security mechanism by way of Letter of Credit, Payment Security Fund and Tri-Partite Agreement (between the State Government, Reserve Bank of India and Government of India).
- (d): Ministry of New and Renewable Energy (MNRE) has undertaken various awareness programmes about the benefits of renewable energy through electronic, print and social media.
- (e): Under Rooftop Solar Programme of MNRE, 4.3 Lakh beneficiaries have installed solar panels on their rooftop.