

**GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA**

STARRED QUESTION NO:81

ANSWERED ON:20.02.2009

RENEWABLE ENERGY SOURCES

Rao Shri Sambasiva Rayapati;Subbarayan Shri K.

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

- (a) the steps taken by the Government for the promotion and proper use of renewable energy sources in the country;
- (b) the difficulties being faced,if any,in the exploration of renewable energy sources in the country;
- (c) the total funds released and utilized by each State for the development and promotion of renewable energy sources in the country during each of the last three years;
- (d) whether the funds allocated for the purpose have not been utilized properly by some States;
- (e) if so,the reasons therefor; and
- (f) the action taken / proposed to be taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF NEW AND RENEWABLE ENERGY (SHRI VILAS MUTTEMWAR)

(a), (b),(c),(d),(e)&(f) : A statement is laid on the Table of the House.

Statement referred in reply to parts (a) to (f) of the Lok Sabha Starred Question No.81 for 20.02.2009 regarding Renewable Energy Sources

(a): The Government has taken several measures for the promotion and proper use of renewable energy systems/ devices in the country which include the following;

Fiscal and financial incentives,such as,capital/ interest subsidy,accelerated depreciation,nil/ concessional excise and customs duties;

Preferential tariff for grid interactive renewable power in most potential States;

Directives under Electricity Act 2003 to all States for fixing a minimum percentage for purchase of power from renewable energy sources

Support for sector specific seminars/workshops/training programmes

Extensive publicity and awareness on the use of renewable energy systems/devices through print, postal and electronic media

Organization of special events like the Rajiv Gandhi Akshay Urja Diwas;

Constitution of District-level Advisory Committees in the States to facilitate effective coordination of renewable energy schemes/ programmes.

Already significant achievements have been made,with the establishment of over 13,700 MW grid-interactive renewable power generation capacity,which is about 9% of the total installed capacity in the country.Of this,about 6795 MW capacity has been added during the 10th Plan, i.e., 2002-07 against the Plan target of 3075 MW.In addition, over 5.5 million off-grid/ decentralized renewable energy systems/ devices,mainly biogas plants and solar photovoltaic lighting systems,have been deployed for provision of basic energy needs of cooking and lighting in rural households.

(b): The major constraints faced in the exploration of renewable energy sources are:

Inherent intermittent nature of renewable energy sources leading to low capacity utilization factors ranging from about 17% to 70%,depending on resource and location;

Grid synchronization limitations on account of intermittent nature of supply;

Relatively higher capital investment compared to conventional power projects;and

Requirement of preferential tariffs apart from other fiscal and/or financial concessions to make investment in renewable power a commercially attractive proposition

(c): State-wise details of central financial assistance provided/utilized under various renewable energy schemes / programmes during the last three years,i.e., 2005-06,2006-07 and 2007-08 are given in Annexure.

(d), (e) & (f): The utilization of funds released to States has been above 95%. Steps being taken to ensure full utilization of the funds include requirement of periodic physical & financial progress reports, funds utilization certificates & audited statements of expenditure; regular review meetings with State Nodal/ Implementing Agencies;and, random inspection visits to project sites to ascertain the quantity and quality of systems deployed; etc.This apart, periodic internal audit of the State Nodal Agencies is also undertaken.