

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

UNSTARRED QUESTION NO:3135
ANSWERED ON:15.03.2013
DECENTRALIZED GENERATION OF ELECTRICITY
Vijayan Shri A.K.S.

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

- (a) whether the decentralized generation of electricity from abundant renewable energy sources is an efficient solution to universal access to electricity;
- (b) if so, the details thereof and the steps taken by the Government in this direction; and
- (c) the progress made so far on setting up renewable energy standardized village grids, especially in low electricity penetration areas of eastern and north-eastern regions of the country?

Answer

THE MINISTER OF NEW AND RENEWABLE ENERGY (DR. FAROOQ ABDULLAH)

(a): Yes Madam.

(b): The Ministry of New & Renewable Energy is promoting various renewable energy technologies for off-grid / decentralized electricity generation.

Under the Remote Village Electrification (RVE) Programme, the Ministry is providing financial support for lighting / basic electrification using renewable energy sources in those remote unelectrified census villages and unelectrified hamlets of electrified census villages where grid extension is not found feasible by the state governments and hence are not covered under the Rajiv Gandhi Gramin Vidyutikaran Yojana. Central Financial Assistance (CFA) of up to 90% of the costs of systems, subject to pre specified maximum amount for each technology, is provided for approved projects to the states. As on date, 12760 nos. of such villages / hamlets have been sanctioned under the programme.

The Ministry is also promoting biomass gasifier based distributed / off grid electricity generation for meeting unmet demand of electricity in villages and provide CFA @ Rs. 15000 per kW besides providing financial support of Rs. 1.0 Lakh per km for a maximum of 3 km, for laying distribution network.

The small/micro hydel projects are promoted for providing electricity to remote and rural areas. About 315 villages have been electrified using micro hydel projects in the country.

Under the Off grid and Decentralized Solar Application Scheme of JNNSM, Ministry provides a subsidy 30% cost of the project limited to Rs. 150 per watt peak for installation of micro / mini grid SPV power plants of unit capacity up to 250 kWp.

Ministry of Power accorded approval for capital subsidy of Rs. 540 Crore for Decentralized Distributed Generation (DDG) during XI plan period under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY). DDG can be from conventional or renewable sources such as biomass, biofuels, biogas, mini hydro, solar etc. for villages where grid connectivity is either not feasible or not cost effective. Under the scheme, 90% of the total project cost is provided to the implementing agency as subsidy. The balance 10% can be arranged by the implementing agency at their own or taken as loan from any financial institution or REC.

(c): Under the biomass gasifier programme of Ministry of New & Renewable Energy, so far, 70 rice husk based gasifier systems have been installed in villages of Bihar providing electricity needs in about 200 villages / hamlets so far.

2 mini grid solar photovoltaic (SPV) power projects of 120 kWp of aggregate capacity have been installed in Jharkhand.

Under the DDG scheme of Ministry of Power, 48 nos. of projects covering 175 nos. of villages / hamlets have been sanctioned in the state of Bihar and 9 nos. of projects covering 39 nos. of villages / hamlets have been sanctioned in the state of West Bengal.