

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

UNSTARRED QUESTION NO:2549
ANSWERED ON:04.12.2009
INVESTMENTS IN WIND ENERGY SECTOR
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Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the India's investment in wind energy is very negligible compared to other developing/developed countries;
- (b) if so, the details thereof and the steps taken by the Government to increase investments in this sector;
- (c) whether the Government has drawn up a policy for better grid access;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

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

(a) & (b): India, with a total wind power installed capacity of 10,900 MW, ranks 5th in the world after USA, Germany, Spain and China. The Government has been promoting commercial grid connected wind power projects through private sector investment in wind potential states by providing fiscal incentives, loan from Indian Renewable Energy Development Agency (IREDA) and other financial institutions. Technical support, including detailed wind resource assessment to identify further potential sites, is provided by Centre for Wind Energy Technology (C-WET), Chennai. This apart, preferential tariff is being provided to increase wind energy investment in the potential States. Recently, Government has approved for the 11th plan period, Generation Based Incentive to run concurrently with the benefit of accelerated depreciation but in a mutually exclusive manner.

(c), (d) & (e): As per the Electricity Act-2003, Section 86

(i)e, the State Electricity Regulatory Commissions have to promote generation of electricity from renewable sources including wind energy by providing suitable measures for connectivity with the grid and sale of electricity.

The Central Electricity Regulatory Commission (CERC) has issued on 16.09.2009 the CERC Regulations, 2009 which says that all renewable energy power plants including wind with installed capacity of 10 MW and above, shall be treated as 'MUST RUN' power plants and shall not be subjected to 'merit order dispatch' principles. The regulation has also defined other issues relating to grid connectivity of the wind power projects. This will improve the Grid Access for wind power projects.