

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

UNSTARRED QUESTION NO:2562
ANSWERED ON:12.03.2015
BIOMASS ELECTRICITY CO-GENERATION
Solanki Dr. Kirit Premjibhai

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

- (a) the salient features of the Bio-mass Electricity co-generation programme in India;
- (b) the total capacity of surplus power generated and supplied to the grid, through bagasse and non-bagasse sources in the last three years;
- (c) whether the Government has commissioned any study to assess the potential of bio-mass electricity generation in the country and opportunities to scale it up;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to promote bio-mass electricity co-generation as low-cost and environment friendly method of energy production?

Answer

THE MINISTER OF STATE FOR POWER, COAL & NEW AND RENEWABLE ENERGY (INDEPENDENT CHARGE) (SHRI PIYUSH GOYAL)

(a): Cogeneration programme in bagasse and non-bagasse industries provides steam and power to meet the energy requirements of sugar mills and other industries. Under Biomass and Bagasse Cogeneration programme implemented by the Ministry of New and Renewable Energy (MNRE), efficient boilers generating high temperature and high pressure steam are promoted for maximizing energy output from the same quantity of biomass/bagasse.

(b): About 900 MW surplus power generation capacity has been set up in sugar mills during last three years. Further, about 230 MW power has been set up for captive use in non-bagasse industries under Biomass Cogeneration Programme.

(c)&(d): Yes, Madam. The Indian Institute of Science (IISc.), Bangalore under Ministry of New and Renewable Energy (MNRE) funded project has estimated that about 500 million tons of agriculture and agro-industrial residues are being generated annually in the country. About 70% of these residues are used as fodder, as fuel for domestic and industrial sectors and for other economic purposes. About 120-150 million tons of agro-industrial and agriculture residues per year could be surplus with potential of 18000 MW power generation.

(e): Fiscal incentives such as accelerated depreciation concessional customs duty, excise duty exemption, income tax holiday for 10 years and preferential tariff are provided for biomass power and bagasse cogeneration projects. In addition, MNRE provides Central Financial Assistance for setting up of biomass power and cogeneration projects to reduce the cost of electricity generation and environment friendly use of biomass and bagasse.