

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

UNSTARRED QUESTION NO:2727

ANSWERED ON:01.12.2016

Manufacturing of Equipments for Generation of Wind Energy

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

- (a) whether the Union Government proposes to formulate a special scheme to manufacture the equipments used to generate wind energy in the country, if so, the details thereof;
- (b) whether the Union Government has made any special efforts for generation of wind energy in economically backward States including Bundelkhand, if so, the details thereof, State-wise;
- (c) whether the Union Government has invited bids for the setting up of wind mills in the country, if so, the details thereof;
- (d) the present status of wind power projects in the country, State-wise; and
- (e) the steps taken/being taken by the Union Government to promote the wind energy in the country?

Answer

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

(a): No Madam.

(b): Wind power projects can only be installed at sites having adequate wind power potential. As per recent assessment of wind power potential by National Institute of Wind Energy (NWE), a total of 302 GW capacity wind power potential is available at 100 meter above ground level in the country. The potential is mainly concentrated in eight States including Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu and Telangana. The assessment indicates that Bundelkhand do not have adequate wind power potential for grid connected wind power projects.

(c): Yes Madam, Ministry of New & Renewable Energy (MNRE) has sanctioned a Scheme for Setting up of 1000 MW Inter State Transmission System (ISTS) connected Wind Power Projects on 14 June 2016. The salient features of the Scheme are given below:

- (i) Scheme to be implemented by Solar Energy Corporation of India (SECI).
- (ii) Wind projects will be selected through open and transparent competitive bidding process followed by e-reverse auction.
- (iii) Eligible project capacity will be minimum 50 MW and maximum 250 MW per bidder.
- (iv) The Trading Company selected by SECI will sign Power Purchase Agreement (PPA) with selected bidder and back-to-back Power Sale Agreement (PSA) with Buying Entities at a pooled price of the total bids selected. The duration of PPA and PSA will be 25 years from Commercial Operation Date (COD) of the project.

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-2-

(v) The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the bidder. Use of State transmission system to bring wind power at ISTS point also allowed.

(vi) Part commissioning allowed subject to commissioning of atleast 50 MW or 50% of the allocated Project Capacity, whichever is higher.

(vii) The Project to be completed within 18 months from issue of Letter of Award. Maximum period of 27 months allowed for completion of project with penalties.

(viii) Minimum declared Capacity Utilization Factor to be 20%. Provision of compensation in case of shortfall in minimum generation.

(ix) Wind projects to submit monthly performance data through Online.

(d): As on 31.10.2016, the total wind power installed capacity in the country was 28279 MW. State-wise wind power installed capacity is given below:

State Cumulative Wind Power Installed Capacity in MW as on 31.10.2016

Andhra Pradesh 2001.70

Gujarat 4269.87

Karnataka 3099.40

Kerala 43.50

Madhya Pradesh 2288.59

Maharashtra 4664.03

Rajasthan 4123.42

Tamil Nadu 7685.83

Telangana 98.70

Others 4.30

Total 28279.34

(e): The Government is promoting wind power projects through private sector investment by providing fiscal and promotional incentives such as Accelerated Depreciation (AD) benefit, concessional custom duty on certain components of wind electric generators, excise duty exemption to manufacturers 10 years tax holiday on income generated from wind power projects is also available. A Generation Based Incentive (GBI) is available for the projects not availing A D benefit, under which Rs.0.50/unit generated is provided with a ceiling of Rs. 1.00 crore per MW. Loans for installing wind power projects are available from Indian Renewable Energy Development Agency (IREDA) and other Financial Institutions. Technical support including wind resource assessment and identification of potential sites is provided by the NWE, Chennai. States with wind potential also provide preferential tariffs. A Scheme for Setting up of 1000 MW Inter State Transmission System connected Wind Power Projects has been sanctioned on 14 June 2016. Repowering Policy issued in August 2016 provides enabling framework for replacement of old and small capacity wind turbines with high capacity wind turbines.
