

TECA – NEWS CLIPPING

(Energy Conservation : It Doesn't Cost. It saves)

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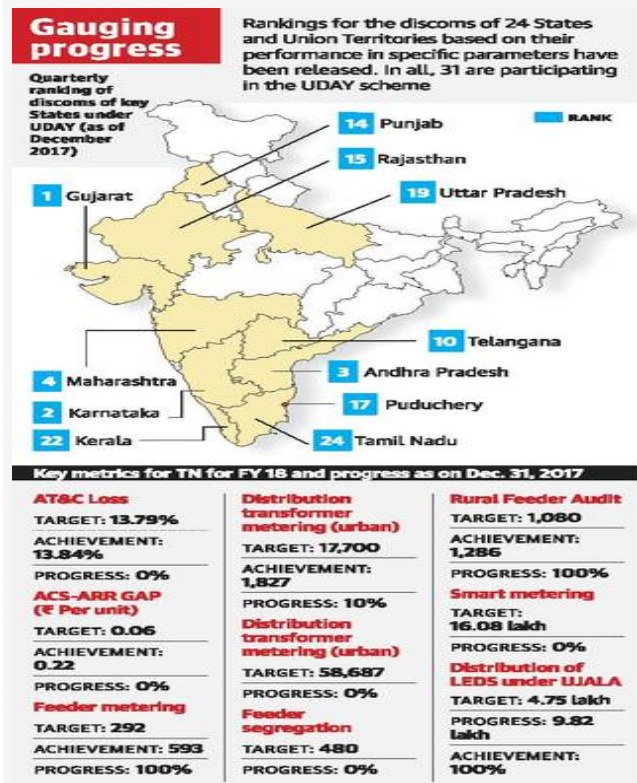
UDAY scheme: Tamil Nadu ranked lowest on performance power distribution companies

The Hindu : February 24, 2018

Tamil Nadu has been ranked lowest in terms of State distribution companies' quarterly performance as of December 2017, post joining the Centre's Ujwal DISCOM Assurance Yojana (UDAY).

The State had joined the scheme over a year ago. The scheme, covering 31 States and Union Territories, emphasises both financial turnaround and improvement in operational efficiencies of the distribution companies.

A key parameter in which the Tamil Nadu Generation and Distribution Corporation Limited (Tangedco) is lagging is the gap between the average cost of supply per unit of power and per unit average realised. The target for Tamil Nadu was ₹0.06 per unit and its achievement was Rs. 0.22 per unit, as per the data. Also, Tamil Nadu has not made progress in terms of smart metering, distribution transformer metering in urban and rural areas, feeder segregation as per the data, while faring well in terms of distribution of LEDs under UJALA scheme.



"The ranking might not give a clear picture. For example, Tamil Nadu got exemption from tariff hikes to join the scheme. Also, the State had achieved 100% electrification which is one of the



parameters," said an analyst who did not wish to be named. A Tangedco official said the utility does not track the UDAY rankings.

T.N. government has taken over 75% of Tangedco's Rs.30,420 crore debt. Tangedco is yet to issue the mandated government-guaranteed bonds for the remaining debt.

Under the UDAY scheme, Tamil Nadu's State utility has to reduce its Aggregate Technical and Commercial losses (AT and C) to 13.79% in FY 18, but has achieved only 13.84% as of December 2017. In the previous year, it was at 14.53%. A distribution company faces both technical and commercial loss. AT and C loss is nothing but the sum total of technical and commercial losses and shortage due to non-realization of billed amount.

According to data provided by the government, as of December 2017, the AT and C losses in 24 of the UDAY states and Union Territories stood at 22.73%. In December 2016, these states reported cumulative AT and C losses of 20.3%. States like Chhattisgarh, Punjab, Jharkhand, Uttarakhand, Uttar Pradesh, Madhya Pradesh, Puducherry, Maharashtra, and Tripura saw a spike in AT&C losses.

Centre opens up commercial coal mining to private firms

Times of India : February 21, 2018

The government opened up commercial coal mining to the private sector on Tuesday, removing one of the last vestiges of the licence-quota raj of the 1970s.

The Cabinet committee on economic affairs approved the methodology for auctioning coal mines and blocks to private miners, unshackling the sector from the nationalisation of 1973. The opening up of commercial coal mining to the private sector is the most ambitious coal sector reform since the nationalisation of this sector, coal and railway minister Piyush Goyal said while briefing the media on the decision taken at the Cabinet meeting.

Currently only state-run Coal India, the world's largest miner, is allowed to sell coal to end-users. Private coal mining is allowed only for captive mining with restricted end-use, such as generating power or making cement and steel. Coal secretary Susheel Kumar told TOI the number of mines and the time frame for auctions are likely to be finalised in a month.

The methodology for auctioning mines/blocks for commercial mining envisages ascending forward auction, unlike the reverse auction method adopted for auctioning blocks for the power sector.

Under the forward auction, blocks will be awarded to bidders offering to pay the highest amount in terms of rupee per tonne of coal to the state where the mines are located. There will be an annual adjustment of this amount in accordance with coal WPI.

Successful bidders will be free to sell coal to any industrial consumer or unit without restriction on utilisation, such as for generating power or making steel and cement etc. They will also get flexibility in planning their production schedules for ease of doing business. The move will also increase supply in the market and help achieve the target of producing a billion tonne of coal by 2022. India currently produces about half of this quantity.

Opening up of commercial coal mining without marketing restrictions is expected to attract global miners with best-in-class technology and investments, which will speed up opening of new mines and create direct and indirect jobs.

"It will increase competitiveness and allow the use of best possible technology into the sector. The higher investment will create direct and indirect employment in coalbearing areas, especially in the mining sector, and will have an impact on the economic development of these regions," the minister said.

The government had built in the enabling provisions for opening up coal mining in the Coal Mines (Special Provisions) Act brought in for auctioning and allotting the 204 coal blocks, the allotments of which were axed by the SC in 2014.



India to achieve 175 GW renewable energy ahead of 2022 deadline

The Economic Times : February 23, 2018

New & Renewable Energy Secretary Anand Kumar, stressed that the country would achieve its target of 175 GW of installed renewable energy capacity well before 2022 adding that ISA shall help mobilise sufficient funds for solar energy projects

India would achieve the target of 175 GW of installed renewable energy capacities well before 2022, a senior government official said on Friday.

"India would achieve its target of 175 GW of installed renewable energy capacity well before 2022 for which bidding process would be completed on time and International Solar Alliance (ISA) shall help mobilise sufficient funds for solar energy projects, said New & Renewable Energy Secretary Anand Kumar at a PHDCCI event.

Kumar said in the statement issued by industry body that over the years the renewable energy has become cheaper and is set to replace conventional energy, which is a healthy development, and added that India has one of the fastest growing renewable energy programmes in the world.

He stressed that the country would achieve its target of 175 GW of installed renewable energy capacity well before 2022 adding that ISA shall help mobilise sufficient funds for solar energy projects.

"Prime Minister wants India to be an innovation hub for which we have to start thinking and supporting about the new ideas for renewable sources particularly in solar energy with the objective of providing renewable energy to the common man as an affordable pricing," he added.

He said the ISA is an excellent idea which helps million of people to provide universal energy excess.

The ISA is conceived as a coalition of solar resource rich countries to address their special energy needs and to provide a platform to collaborate on addressing the identified gaps through a common, agreed approach. It has the backing of around 121 countries rich in solar energy, the secretary said.

Renewable energy sector witnesses 68k cr fund flow

Times of India : February 26, 2018

Discussions around renewable energy took centre stage at the CII Partnership Summit on Sunday, as Andhra Pradesh signed MoUs worth over Rs 68,000 crore for a host of projects in this area.

Speaking on the sidelines of the event, delegates stressed on the importance of this shift — from conventional to alternative forms of energy — with some of them certain of renewable energy production outdoing the former in the near future.

"Unlike in the past, this (renewable energy) is no longer a fringe player but a main source of energy, particularly wind and solar. Also, while so far there was thrust on using them because they were considered green energy sources, now they are also commercially viable. The tariff they attract is lesser than conventional sources of energy," said J P Chalasani, group chief executive officer of Suzlon Energy Ltd, the largest market player in AP.

Predictably, a host of investors expressed their interest in making a foray into AP, with promises of conserving and providing clean energy, which would benefit the health of the region in the long run. Among them was Navi Mumbai-based Atomberg Technologies Pvt Ltd that, at present, manufactures 2.5 lakh ceiling fans in its in-house facility using BLDC (Brush Less Motor) mechanism.

"Unlike regular fans which become hot after running continuously, our fans do not. So, we optimise heat loss and thus save energy. Because a lot of our sales happen in the southern region, and Hyderabad is known as the fan hub, we are looking at AP as a strategic location to set



up operations. We will start with sales and eventually have a manufacturing plant as well," said Sibabrata, director of the firm, reiterating the need for energy conservation. His company is likely to sign a MoU on Monday regarding the same.

That India is in urgent need for clean air was upheld by Mariolein Helder of the Netherlands-based Plant-e as well, who has come to India with a plant-based technology to power lighting and irrigation projects. "When I landed in New Delhi, I realised how some of bigger cities are in dire need of a technology that would help clean the air. We hope to be able to do some work in that area soon," she said.

Cash flow of power distribution firms likely to improve: India Ratings

The Economic Times : February 22, 2018

The financial health of distribution firms, commonly called discoms, has improved due to lower transmission and distribution (T&D) losses, tariff hikes and cost rationalization, the agency said in a report. Historically known to be the weakest link in the energy value chain, the turnaround of discoms is also being driven by volume growth.

The cash flow generation of India's power distribution companies has increased in the current financial year (2017-18) and is likely to remain positive in the coming fiscal, according to India Ratings and Research, a Fitch Group-owned credit rating agency.

The financial health of distribution firms, commonly called discoms, has improved due to lower transmission and distribution (T&D) losses, tariff hikes and cost rationalization, the agency said in a report. Historically known to be the weakest link in the energy value chain, the turnaround of discoms is also being driven by volume growth.

The report said discoms have been working aggressively towards lowering their losses and improving collection efficiency. "As discoms work towards lowering their aggregate technical and commercial losses (a function of T&D losses and collection efficiency) below the regulatory benchmarks, their cash flows are likely to improve further," it said.

Discoms have also gained from healthy tariff hikes allowed in most states between 2011-12 and 2015-16 apart from cost rationalisation initiatives. According to the report, the electricity regulator had lowered the incentive income available to thermal generators for the period between 2013-14 and 2018-19, which resulted in a dip in per unit costs. The government has also worked on coal linkage rationalization, which has led to lowering of fuel cost for some plants.

India Ratings also said the output of power from efficient plants has gone up with the same level of coal input owing to the government's directive of closing old and inefficient plants and diverting their linkages to efficient ones.

The report highlighted that discoms' cash flow has improved as healthy tariffs have led to recovery of regulatory assets in some cases and slowdown in fresh accretion of regulatory assets in others. The discoms' cash flow generation is likely to remain healthy in 2018-19 given healthy volume growth as reflected in the power demand growth rate between 5 per cent and 6 per cent.

Energy saved is energy produced

Practice conservation of energy for the future generation