**TAMIL NADU ELECTRICITY CONSUMERS’ ASSOCIATION**

1st Floor, 8/4, Race Course, SIEMA Building, Coimbatore- 641018

Ph: 0422-4351400 Email :  teca@tecaonline.in

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Dr.Rahul Rawat,

Scientist ‘B’,

Ministry of New & Renewable Energy,

(Wind Energy Division),

CGO Complex, Block No.14, Lodhi Road,

New Delhi – 110 003.

E-Mail: rahul.mnre@gov.in

Sir,

Sub: Draft Indian Wind Turbine Certification Scheme (IWTCS) – Comments.

Ref: Your Office Memorandum No.293/8/2017-Wind-Part (1) dated 05.11.2018 hosted in the website of MNRE.

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With reference to the above cited Office Memorandum, we are sending here with our comments for your perusal and action.

TAMILNADU ELECTRICTY CONSUMERS ASSOCIATION (TECA) represents Medium and Large scale Industrial power consumers across the State of Tamil Nadu. TECA is having 600 members accounting for a Sanctioned load of 925 MVA, which constitutes 10% of total connected HT Industrial load in state. Most of our members have installed Windmills all over Tamil Nadu and they are all wheeling power to their end, by paying appropriate charges to State Utility as fixed by State Regulatory Commission from time to time.

We bring to your notice that gradually withdrawal of windmills, by way of this new Certification Scheme, may cause many of State Utility’s Sub Stations becoming absolutely empty, as such Sub Stations are connected totally with older WEG’s, having a life time crossed by 18 years or so.

Further, we wish to state that our members have installed WEG’s, only to meet their own power requirement (captive purpose). Disconnecting old wind mills will result in stoppage of power supply to their respective industries and would force them to close their factories, resulting unrest in society leading to severe socio-economic problems. It would also go against the Right of Individuals guaranteed under the Constitution of India to carry on any legal business activity of their own choice.

Hence, we felt to represent above matter sending our comments  on proposed Indian Wind Turbine Certification Scheme (IWTCS) as following for due consideration by MNRE.

**1. Objectives of the Electricity Act**

We reiterate that one among major objectives of The Electricity Act 2003 is to promote Renewable Energy in Country. We reproduce herein below Section 86(1) (e) of The Electricity Act 2003, which provides the list of functions for the State Commissions.

*“Section 86(1) (e):*

*promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;”*

**2. Discouragement of Investment in Renewable Projects**

We felt that when whole World is moving towards promotion of Renewable Energy Projects, bringing a Certification Scheme by introducing unwanted restrictions to WEG’s, would defeat very purpose of promoting Renewable Energy Projects.  Particularly when World is moving through high level of Global warming, encouragement of renewable energy projects at any cost would be right course to be followed to save this globe from the evils of GHG Emissions. It may be noted that Government of India is targeting 173GW capacity of renewable power by 2022.

Hence, instead of saving renewable energy projects functioning as of now, going with retrograde steps would lead to discouragement of investments in renewable energy sector and this would be not a good idea in present environment. Further, mooting it out from MNRE is most surprising information.

**3. Discrimination against the Renewable Energy**

We bring to your notice that while other Generating Plants using fossil fuel etc. are not being mandated for such Certification Schemes, providing Scheme of Certification for WEG’s alone, would amount to highest discrimination against Renewable Energy. Hence, as a Ministry supporting and promoting Renewable Energy Projects in Country, it should not attempt to bring stringent curtailments by way of Certification etc., which would affect Renewable Energy Industry in worst possible manner. Hence, whole proposal should be dropped.

WEG’s can even function beyond 25 years, aiming to limit maximum No. of years to Design life + 2 years is dangerous. In case of thermal power plants, they operate even beyond designed life period and forever. Hence, wind energy investor should not be allowed to go with such Certification Schemes which is found to be total threat for wind energy industry and goes against policy initiatives found in The Electricity Act 2003.

The proposal for insisting certification of wind mills, which have crossed certain years of running, would increase compliance cost and corruption only, which is unwarranted. The owner of wind mill can take care of his wind mill and no certification of third party is required. Further, it should be noted as placed already that no certification of aged Thermal Plants is sought for, which cause heavy air pollution to environment, while wind mills produce all clean energy.

The proposal to disconnect above 20 years old wind mills from Grid is therefore illegal, arbitrary and discriminatory. Since, old thermal plants / Hydel plants are allowed to function and get connected to Grid though all thermal plants are highly polluting and causing enormous harm to the health of citizens, planning to disconnect WEG’s alone on completion of 20 years, is highly a discriminatory approach.

**4.  Order of State Regulatory Commission**

We bring to your notice that as per TNERC Order No. 3 of 2016 dated 31.03.2016, the life of WEGs is taken as 25 years.  The same was reiterated by another Order No.6 of 2018 dated 13.04.2018. The copies of Orders are attached herewith for ready reference. The relevant portion of the 2016 and 2018 Orders dealing with life time of WEG’s is reproduced below.

**2016 Order**

*“7.9. Life of Plant and Machinery*

*7.9.1 Many of the stakeholders have requested to consider a life period of 20 years. The Commission had adopted a life period of 20 years in the last tariff order. CERC, GERC, RERC and MERC have adopted a life period of 25 years for the wind power projects. The Commission considers a life period of 25 years for this order.”*

**2018 Order**

*“6.8 Life of Plant and Machinery*

*6.8.1 Commission considers a life period of 25 years as in the earlier order for wind energy issued in 2016.”*

5. The State Commission after having analyzed with all pros and cons, has decided the life time of plant and machinery of WEG’s as 25 years and has issued orders which have statutory force and binding on all WEGs. Hence, bringing a Certification Scheme with no substantial purpose would defeat very objectives of promoting renewable energy sector in Country besides being a threat to existing wind energy industry.

**5. Energy Wheeling Agreements (EWA)**

As of now, Energy Wheeling Agreements (EWA) and Energy Purchase Agreements (EPA) are executed between WEG promoters and State Utility is having a valid contract period of 25 years.

In such condition, interfering with contract by way of introducing any Certification Scheme would defeat the *intention of contract*and makes all EWAs / EPAs unnecessarily interfered for no reason at all.

**6. Functioning of Wind Mills**

You are aware that, Windmills are working only during the wind season is active. In Tamil Nadu, the wind season is active only during the months of June to September (4 months).  Remaining 8 months, WEGs are either less functioning or no functioning at all. When that being case, deciding life of 25 years of a plant and machinery at par with other normal machines which works all 365 days in a year would be a wrong application while calculating life time.  Even Annual PLF of any WEG is far below 20%. Hence, PLF of any WEG cannot be *Mutatis Mutandis*matched with those of regular plant and machinery. Therefore, based on capacity utilization and low PLF found in WEGs, life period of plant and machinery has to be enhanced even beyond 25 years. It could be vouchsafed from the present working of the older WEG’s that even after more than 20 years, all WEG’s are working well and are providing better generation. When added with best O&M services, replacement of wear and tear and other such replacement arrangements, life period of each WEG, would go even beyond 25 years very comfortably.

**7.  Using Modern Technology**

Further, as a part of modern renovation, WEG’s are provided with new technologies to improve their lifetime by providing soft braking mechanisms etc., by additional costs. Further, Gear oil cooling systems have been added to maintain condition of the Gear Boxes of the WEG in a better manner. By these new technology innovations, life time of plant and machinery of WEGs would very easily go beyond 25 years.

**8. Replacement of latest WEG’s in old location**

The new installations / Latest WEGs intercropping cannot be installed / done in these old WEG locations, as land banks are not sufficient with the boundary conditions & in-between distance norms.

**9. Quality of Power**

As far as quality of power is concerned, aged wind mills should not be disconnected from Grid, as there is no difference in quality of power supplied by new wind mill and aged wind mill.

**10**. It is a wrong notion to see that old wind mills exceeding 20 years of life are inefficient. Properly maintained wind mill, irrespective of vintage, can run even for 50 years comfortably, when maintained properly. Hence, not based on age of the WEG, efficiency could be measured.

**11.**The proposal to disconnect wind mills aged above 20 years is based on wrong notion that 20 years age, decides health of a machine which is absolutely wrong. Hence, depending upon vintage, wind mill should not be disconnected from Grid. Disconnection should be only when a threat of damage is caused to Grid and when power production causes air pollution affecting Society. It is unfair to disconnect from Grid, wind mills producing green and clean energy and allowing highly polluting Thermal Plants be connected to Grid irrespective of their vintages.

**12.**This proposal to disconnect wind mills from Grid, is encouragement of monopoly power supply by TANGEDCO to force entrepreneurs to scrap existing WEG's and go for buying high cost.

**Hence, considering all our comments as narrated above, proposed Indian Wind Turbine Certification Scheme (IWTCS) may please be withdrawn.**

With Warm Regards,

(Sd/-)

N.Pradeep

Secretary