

## GREEN CORRIDOR TO EVACUATE CLEAN POWER

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### Green corridor to evacuate clean power

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THE government on Thursday approved the creation of an intra-state green transmission corridor at an estimated cost of Rs 8,548.65 crore covering seven states to evacuate renewable energy from generation stations to load centres.

The approval was given by the cabinet committee on economic affairs (CCEA), which met under the chairmanship of prime mi-



nister Narendra Modi.

The government has set a generation target of 175,000mw of renewable energy by 2022. This is a big jump from existing capacity of about 35,700 mw. The construction of transmission corridor will help in proper utilisation of additional capacity and prevent congestion from disturbing the grid frequency.

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As per the CCEA decision, intra state transmission system will be set up to link Andhra Pradesh, Karnataka, Maharashtra, Madhya Pradesh, Gujarat, Rajasthan and Himachal Pradesh. All these states are rich in renewable resource potential and large capacity renewable power projects in solar and wind are planned there. The project is proposed to be completed within three to five years.

"The government's move to strengthen the transmission system would definitely give a boost towards achieving ambitious target for renewable energy sector. However, it is also very critical to address the financial health of discoms. Combination of both

should help in renewable power achieving grid parity," said Ratul Puri, chairman, Hindustan

Power projects.

Ashish Khanna, CEO & executive director of Tata Power Solar, said: "This is a very definitive and positive move towards creating a holistic environment for increasing power efficiency and for promoting renewable energy."

Out of the total investment estimated for completing the transmission project, the government will contribute Rs 3,419.47 crore (40 per cent of the total estimated cost of project). This contribution will be made from National Clean Energy Fund (NCEF). The balance 40 per cent investment is proposed to be met through KfW loan and the remaining 20 per

**The govt's move would help in achieving targets for renewable energy sector**

cent as contributions from state governments.

The proposed investment under the transmission corridor project includes establishment of 48 new grid sub-stations of different voltage levels with total

transformation capacity around 17,100 MVA (mega volt ampere) by installing over 7,800 ckt-kms (circuit kilometres) of transmission lines in these seven states.

It is expected that most of these transmission projects would be undertaken by central transmission utility PowerGrid Corporation. The company is separately undertaking projects worth over Rs 10,000 crore to develop a national green corridor that will help solar and wind power projects to be transmitted to different parts of the country using the grid network.

"Apart from low penetration of transmission network, the other issue for green power projects is availability of enough buyers in the market. The poor state of finances of discoms would

still make it difficult for projects to get buyers," said an executive of another renewable power company asking not to be named, as he was not authorised to speak to the press.

The state electricity boards in the country are saddled with over Rs 2 lakh crore of accumulated losses that is increasing by Rs 75,000 crore a year. This would prevent them to buy renewable power that is still expensive compared with conventional sources. The delivered price of solar power with taxes and other levies would still come to around Rs 8-9 per unit considered very expensive when thermal power is available at average price of Rs 4 per unit.

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