

INDIA TARGETS 100,000 MW OF SOLAR ENERGY IN 7 YEARS**FEBRUARY 7, 2015****ALLGOV****India Targets 100,000 MW of Solar Energy in 7 Years**

Friday, February 06, 2015

Tweet

4

Like

1.5k

in

Share



Solar currently supplies less than 1 percent of India's energy needs (file photo: Mint)

India could start installing 20,000 MW of solar power capacity by April, with several international companies keen to support the government's drive for clean energy. Prime Minister Narendra Modi aims to make the country one of the world's largest renewable energy markets, targeting 100,000 MW of output by 2022 from just 3,000 MW currently.

According to Reuters, the falling cost of solar power, which is expected to reach parity with conventional energy by 2017, has sparked off interest in its potential in India.

Industry may be called upon to help in funding what could be a \$100 billion expansion in clean energy, while the government would have to provide the land to build the solar panels on.

Upendra Tripathy, secretary of the Ministry of New and Renewable Energy, said that foreign companies would be allowed to decide where they manufacture the required equipment.

"We have got commitments from very established industry, both foreign and domestic for next year," he told Reuters.

U.S.-based First Solar and SunEdison Inc, Canadian Solar and China's JA Solar are among the companies keen to expand into India.

Yet analysts think the government's target would be difficult to reach given the weak finances of electricity distribution companies that would buy in solar energy and the slow pace at which land for plants would be made available.

"There's a lot of interest, but there are concerns as well," said Ajay Goel, chief executive of Tata Power Solar, one of India's largest solar manufacturers. "Who is buying the power and do they have the ability to pay?" he asked.

Nevertheless the potential is huge. With more than 300 days of sunshine a year, India still relies on coal for three-fifths of its energy needs while solar supplies less than 1 percent.

Yet considering that just 3,000 MW of solar capacity has been installed in the last four years under the National Solar Mission, the target of 100,000 MW in seven years appears optimistic.