

Tata Power to focus on renewable energy



Rahul Shah
CEO, Tata Power Renewable Energy
talks to Sanjeev Sharma



Tata Power has recently revised the share of non-fossil fuel based capacity up to 35-40% by 2025, of which solar power will be an important component, says Rahul Shah, CEO & Executive Director, Tata Power Renewable Energy Ltd.

Q: What is the current scenario of the renewable sector in India?

A: The renewable energy market is growing fast and India is currently on its way to change the energy mix. The new power tariff policy will help in promoting clean energy, better regulation of the discoms by rolling out investments faster. Renewing the Renewable Purchase Obligation to 8% for solar energy by March 2022 will help in the proper mix of renewable in the power supplied by the utilities. The domestic content

requirement and the 'Make in India' campaign will also ensure that India has ample strength in the manufacturing of modules as well. Hydro power, which has been lagging for a while will receive a major thrust once the new hydro policy is announced. The government is currently working towards achieving its target of 175 GW of power generation by 2022.

Q: What are Tata Power's renewable projects in India and overseas, and its future plans for renewables?

A: Tata Power, together with its subsidiaries and jointly controlled entities, has an installed gross generation capacity of 10,477 MW of which clean energy portfolio is 3,042 MW, making it one of the largest non-fossil based energy players in India.

In order to aggregate its clean and renewable energy

portfolio, Tata Power has initiated the process of carving out its 500 MW clean energy assets from its books into Tata Power Renewable Energy Ltd (TPREL).

TPREL, a 100% subsidiary of Tata Power, has an operating capacity of 1,319 MW, comprising 426 MW wind and 893 MW solar, located in the states of Maharashtra, Gujarat, Madhya Pradesh, and Rajasthan. The company is also in the process of implementing nearly 500 MW of renewable power projects at various locations.

The company recently completed the acquisition of 100% shareholding in Welspun Renewables Energy Private Limited (WREPL). WREPL and its subsidiaries have about 1,141 MW of renewable power projects comprising about 990 MW solar power projects and about 150 MW of wind power projects. Of the renewable portfolio, more than 1,000 MW of capacity is operational and the balance capacity is under advanced stages of implementation.

Tata Power, reiterating its commitment to clean energy, has recently increased the share of non-fossil fuel

energy output to 35-40 per cent by 2025. This move is in line with the government's commitment made in Paris.

Q: What is your outlook for renewables for the next 5 years?

A: As of financial year 2015-16, India declared a peak power shortage of only 4,208 MW. India's total installed power generation capacity has crossed the 300-GW mark, which includes 44 GW of renewable energy sources, including solar and wind. Eyeing a target of power supply of 335 GW, India will require a generation capacity of approximately 440 GW. This implies that we need to have an annual addition of 20 to 40 GW. Over the next few years, India's focus would be largely on renewable energy space as the government has shown great promise towards promoting renewable energy. A special World Energy Outlook report of the International Energy Agency says that by 2040, over 50% of India's new generation capacity will come from renewables and nuclear energy.

Solar power is a focus area of the government with 175 GW installation being targeted by 2022. In line with the government's target, Tata Power will also focus on

solar. As the conventional grid connected and rooftop solar projects continue at its own pace, the sector needs to look at various innovative technologies to achieve the target for 100 GW of solar energy. A floating solar power plant can help address the problem of land availability in India. Tata Power has already achieved a proof of concept by installing a small-sized plant on its lake in Lonavala. New technologies in photovoltaic have reached incremental efficiencies in lab tests, we need to look at these technologies in order to have better output. We foresee the increase of renewable energy in the fuel mix in near future.

Q: What do you think about the solar bidding mechanism and trend in India?

A: In addition to the government of India initiative with Jawaharlal Nehru National Solar Mission (JNNSM), several states have formulated their own solar policies to attract investments in the sector. Most states have introduced their own feed-in-tariffs, which are kept between the CERC-specified tariff and the average bid tariff under JNNSM, to attract investments in the state.