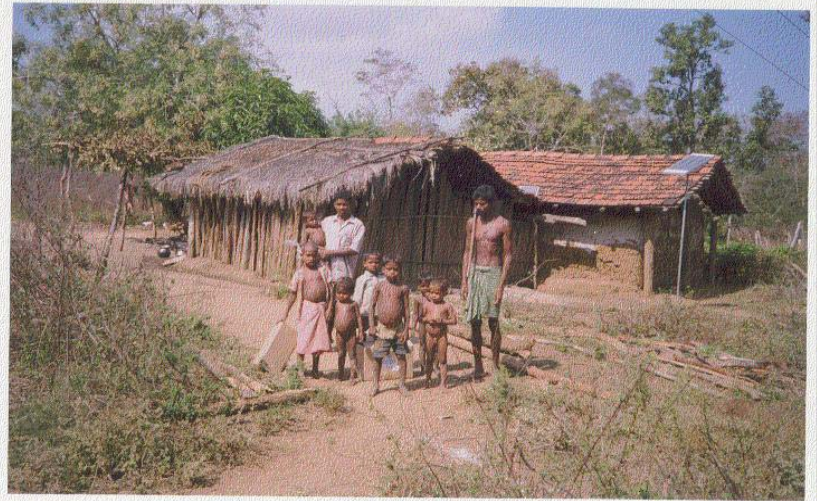


**REPORT OF SUB GROUP-III SET UP TO  
REVIEW IMPLEMENTATION OF NEW AND  
RENEWABLE ENERGY SCHMES IN NE  
STATES**

**AIZAWL, 18-5-2007**



**CENTRAL ELECTRONICS LIMITED**





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*10 kW<sub>p</sub> SPV Power Plant installed at village Moordungri in district  
Sawai Madhopur, Rajasthan*











*Biomass gasifier based village electrification project commissioned at Gosaba village in sunderbans, West Bengal.*





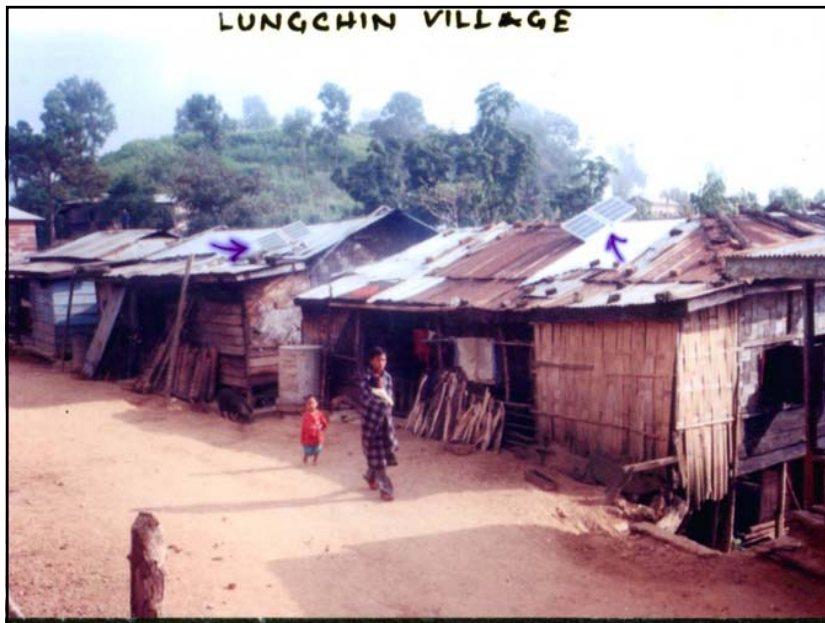


*A 20 kW Village Hydro Project in Arunachal Pradesh*

















## MAIN BARRIERS

- Inadequate support and commitment from the state governments.
- Inadequate institutional positioning.
- Difficulties in mobilizing matching funds.
- No funds for maintenance and upgradation.
- System designs not suitable for conditions.
- No institutional mechanism to absorb feedback.
- No local manufacturing/assembling facilities.

## MAIN BARRIERS – CONTD.

- Low levels of CFA with inadequate normative costs.
- Lack of long term exploitation plans for small hydro and biomass.
- Inadequate evacuation facilities for power projects.
- Lack of motivation and incentives to the agency technical staff.
- Lack of awareness among the beneficiaries.
- Lack of identification of unelectrified remote habitations.
- No mechanism for upgradation and maintenance.

## WHY RENEWABLE ENERGY?

- Energy Security
- Fossil fuel use is not sustainable
- Global Warming (the warmest years since 1866 occurred between 1980 & 2006, 2005 being the warmest ever).
- Remote communities can be supplied fossil fuel based energy only at heavy costs.
- In many cases renewables are economical.
- More employment generation for same energy use.



### WHY DISTRIBUTED GENERATION USING RENEWABLE ENERGY?

- Renewables are locally available, particularly suitable for small capacities.
- Good for eco-sensitive regions.
- Synchronism between load and generation in many cases.
- Local employment and income generation.
- Ownership in local hands.

### RELEVANCE OF RVE PROGRAMME OF THE MINISTRY

- Grid extension to many villages/hamlets is either technically not feasible or not cost effective.
- Such villages have to be electrified through locally available renewable sources in order to meet the national goal of universal electrification.

## STATEMENT OF OBJECTIVE

- “To provide electricity at affordable rates for meeting present and future needs of households in remote villages through systems which are reliable, durable, easy to operate and easy to maintain”.

## MAIN R.E. TECHNOLOGIES FOR VILLAGE ELECTRIFICATION

- Small Hydro
- Biomass Gasification Systems
- Biogas based Engines
- Biofuel Engines
- SPV Power Plants
- SPV Home lighting Systems
- *A majority of the villages electrified so far use SPV home lighting systems.*

## RECOMMENDATIONS - GENERAL

- Definite role of renewable energy for meeting energy needs of the people and for electrification of remote areas in NE states.
- State governments who have primary responsibility for promotion of renewable energy should play a more proactive role.

## RECOMMENDATIONS - INSTITUTIONAL

- In light of the important role of renewable energy, it should be given equal status in state plans as electricity and oil.
- Separate departments of new and renewable energy on the lines of the central government ministry, or, separate divisions under departments of energy/power, be created and entrusted with the responsibility for expansion of renewable energy use.



## RECOMMENDATIONS - FINANCIAL

- States should prepare an annual plan for renewable energy and pose it to Planning Commission along with the plan for electricity sector. This will mainstream renewables.
- Salary and overheads of staff and the renewable energy division should be transferred to non-plan budget.
- Non Plan budget line for maintenance and upgradation of systems should be created.

## RECOMMENDATIONS - TECHNOLOGICAL

- Develop region specific system designs.
- Create institutional infrastructure for absorbing and acting upon the feedback from users and for providing technical back-up.
- Promote local manufacturing/assembling particularly for solar PV and biomass gasification.
- Solar PV homelights to be promoted extensively.

## RECOMMENDATIONS – PROGRAMS RELATED

- CFA for all technology areas should be uniform 90%.
- Normative costs for calculation of CFA should be higher by upto 10% for North Eastern states.
- Number of installments of CFA should be reduced.
- States to prepare a master plan for small hydro. MNRE and NEC to fund the task.
- States to announce private sector participation policy for renewable energy power.
- Bamboo based biomass power projects of 5 MW be promoted through private sector.

## RECOMMENDATIONS – HUMAN RESOURCES

- Staff should be employed against permanent posts in the renewable energy divisions.
- Heads of R.E. divisions should be at least at the level of superintending engineers.
- Promotional avenues of staff to be kept at par with SEB and PWD.
- Regular/dedicated training programmes for technical staff.

## RECOMMENDATIONS – REMOTE VILLAGE ELECTRIFICATION

- States must provide for matching funds.
- The requirement of matching funds to be made a part of the state annual plans.
- Possibility of obtaining matching funds from Ministry of Tribal Affairs (for tribal villages), North Eastern Council, etc. to be explored.
- A coordination mechanism for mobilization of matching funds to be set up.
- Prepare master plan for electrification of all habitations. This is also required as part of rural electrification policy.
- Strengthen organizational structure for monitoring, upkeep, upgradation, etc.

THANKS