Ministry of New and Renewable Energy

Government announces Jawaharlal Nehru National Solar Mission

Dr. Farooq Abdullah, Union Minister for New and Renewable Energy in a statement in the Parliament on 23rd November, 2009 said that "the Government has approved a new policy on development of solar energy in the country by launching of the Jawaharlal Nehru National Solar Mission. This is a historic and transformational initiative of the UPA Government and I am proud to have the privilege of being assigned the task of overseeing its implementation. The Solar Mission is very much in line with the vision of modern India of Pandit Nehru, which has made India today, a leading nuclear and space power.

This Mission is one of the eight key National Missions which comprise India's National Action Plan on Climate Change. It has a twin objective – to contribute to India's long term energy security as well as its ecological security. We are living in a world of rapidly depleting fossil fuel resources and access to conventional energy resources such as oil, gas and coal is becoming increasingly constrained. The rapid development and deployment of renewable energy is imperative in this context and in view of high solar radiation over the country solar energy provides a long term sustainable solution.

The Solar Mission recommends the implementation in 3 stages leading up to an installed capacity of 20,000 MW by the end of the 13th Five Year Plan in 2022. It is envisaged that as a result of rapid scale up as well as technological developments, the price of solar power will attain parity with grid power at the end of the Mission, enabling accelerated and large-scale expansion thereafter. During this time we expect many new ideas to emerge and technologies to become more efficient. Quite obviously, in order to set the stage for achieving this ambitious target, what we do in the next 3 to 4 years will be critical. Therefore, the Cabinet has approved setting up of 1,100 MW of grid solar power and 200 MW capacity of off-grid solar applications utilizing both solar thermal and photovoltaic technologies in the first phase of the Mission. In addition, Mission will

also focus on R&D and HRD to develop and strengthen Indian skills and enhance indigenous content to make the Mission sustainable.

Mission will establish a single window investor-friendly mechanism, which reduces risk and at the same time, provides an attractive, predictable and sufficiently extended tariff for the purchase of solar power for the grid. The focal point, for the next 3 years, will be the NTPC Vidyut Vyapar Nigam (NVVN), which is the power trading arm of the NTPC. Government will designate it for the purchase of solar power generated by independent solar power producers, at rates fixed by the Central Regulatory Electricity Commission and for a period specified by the latter. Government will provide equivalent MW of power from the unallocated quota of NTPC for bundling with solar power. The utilities will be able to account for purchase of solar power against their RPO obligations.

I wish to record my deep appreciation and grateful thanks to my senior colleague, Shinde Saheb, who as Minister of Power, has made this arrangement possible and has supported this Mission at every stage of its evolution.

The Mission also includes a major initiative for promoting rooftop solar PV applications. Solar tariff announced by the regulators will be applicable for such installations. The power distribution companies will be involved in purchase of this power.

There are several off-grid solar applications which are already commercially viable or near viability, where rapid scale up is possible. This requires regulatory and incentive measures as well as an awareness campaign. Solar thermal heating applications, such as water heaters, fall in this category. Solar lighting systems for rural and remote areas are already being distributed commercially in several parts of the country. This is expected to help our rural masses.

The Mission will have a very focused R&D programme which seeks to address the India-specific challenges in promoting solar energy. We have to pool available resources both human and financial to strengthen the existing scientific infrastructure in the country. We would involve various stakeholders in human

resource development and other capacity building efforts. Mission will also accelerate the process of development of domestic industry in this sector.

I seek cooperation of members of the House to make Jawaharlal Nehru National Solar Mission a success, which will help establish India as one of the global leaders in Solar Energy. “

It may be noted that the Ministry of New and Renewable Energy has already taken several initiatives on different aspects of the Mission. Ministry has recently cleared proposals to set up 29 MW capacity megawatt size grid connected solar power projects under the ongoing demonstration schemes. Recently, 3 MW capacity grid solar power plants have been set up in West Bengal and Karnataka. Ministry has also sanctioned several projects to set up about 525 kWp capacity solar PV projects to save diesel. Ministry is also implementing several other projects on promoting solar thermal energy applications in the country.

The Ministry has been interacting with R&D groups, industry and experts to identify the thrust areas of research. As a result several R&D projects in solar energy with an outlay of Rs 54 crores are under progress. More projects will be finalized soon. Ministry plans to set up several Centers of Excellence in research in Solar Energy technologies and strengthening of the Solar Energy Center under the Ministry.