

Comments on the National Renewable Energy Draft Bill 2015

By PAIRVI/Beyond Copenhagen

1. We welcome the RE draft Bill. With the Government of India committing to a target of 175 GW by RE by 2022, more clarity on RE policies are needed and National RE Draft Bill is a welcome step in the direction.

Good provisions in the Bill

2. We also welcome the provisions on much awaited integrated energy resource planning and its integration with development policies, proposed by the Bill.
3. The Bill also proposes to set up National RE Fund from NCES providing a legislative basis for supporting RE projects from the NCES Fund. NCES has been languishing for years without making any significant contribution despite having substantial resources due to absence of clear policy and direction, which the proposed Bill sets up.
4. The Bill also proposes penal provisions for failure to achieve RPO obligations, which will definitely help in electricity companies' better adherence to RPO obligations.
5. The Bill also encourages net metering provisions, which will enhance people's participation in RE.

General/overall Comments

6. However, the Bill fails to address major aspect of energy justice. The Bill fails to mention the commitment to provide energy/electricity to the energy deprived population on a priority basis. The energy deprived communities (approx. 400 million) could be provided basic access to energy with 12 GW, 11th FYP added 78 GW, but the deprived communities still remain dark.
7. The Bill also fails to improve/amend the definition of electrified village (in the Electricity Act) which defines a village as electrified if public buildings are electrified and 10% households are connected.
8. The 80% renewable energy capacity is concentrated in only 8 states. At the same time, more than 80% RE capacity lies in the private sector. The Bill fails to make an attempt to ensure equity in participation among the states and also address what implications concentration of RE in private hands might have for energy sector.
9. The Bill also lacks any grievance redressal mechanism and assumes that there are no adverse environmental or social impacts of RE projects (though they are minimal). In view of the fact that there are numerous protests against land acquisition and change of land use in RE projects; the Bill should have a grievance redressal mechanism.
10. Functions of the AG must include review of RE projects and cumulative impact (on forests, water, land, ecology and environment etc.)Wherever possible (in case of hydro power projects, or ultra mega solar/wind farms).

Comments on the specific provisions in the Bill

11. The Bill does not include small hydel and micro hydels in the definition of renewable energy. (Clause 22, S.3, Part I)
12. The Bill places wide powers with the central government as it lays down that “the Central Government shall have the power to take all such measures as it deems necessary or expedient for the purpose of development and deployment of renewable energy in the country,” (clause 1, Sec 4, Part II) to the exclusion of states governments. State governments have an obligation to agree to whatever central government says.
13. The Bill also makes provision unduly benefitting the generators/ companies by creating a provision on “deemed generation.” It lays down that RE generators will be paid even when the grid does not have the capacity for evacuation of the electricity produced. (Clause 2(i), S. 42, Part VI). It needs to be reviewed.
14. The Bill leaves the testing of RE Equipment/ appliances/Technology at the discretion of the Ministry (clause 3, S.18, Part III). It should be made mandatory.
15. NREC is completely composed of Govt. officials except for the special invitees/experts that the Chair may invite. (S 8 Part II). The stakeholders including CSOs must be represented at the NREC. Besides, NREC, stakeholders including CSOs should be also have representation at AG and state level REC and AG
16. The NREC is supposed to facilitate the Inter-ministerial coordination (clause 1, S 10, Part III). However, it is not clear how the NREC will achieve this. Only four meetings in one year might not be sufficient to achieve inter ministerial coordination.