

## SUGAR

### KRRS rejects sugar millers' offer

The Karnataka Rajya Raitha Sangha has outrightly rejected the sugar millers' offer of Rs.3,100 price per tonne of sugar and gave a call to the farmers to reject the Congress government hereafter.

Reacting to the offer made during the meeting of the managements of sugar mills of north Karnataka with the Minister for Cooperation and Sugar H.S. Mahadev Prasad at Suvarna Vidhana Soudha here on Thursday, he said the managements had offered Rs.3,100 per tonne including the cost of harvesting and transportation, which would be between Rs.600 to Rs.650 per tonne.

"This is no less than cheating and illegal as there was no provision in laws dealing with sugarcane suggesting that the harvesting and transportation cost be collected from the growers. The responsibility of the grower ended once the mill officials conducted on-field test for cane maturity."

He alleged that the Congress government and sugar millers had again conspired to exploit farmers in disguise.

He said nothing less than Rs.3,000 per tonne with out any deduction, not even the harvesting and transportation cost, would be acceptable to the growers. The Sangha leaders would discuss the issue and take a decision on taking up a fresh struggle for justifiable price for their crop.

(Source-<http://sugarnews.in/krrs-rejects-sugar-millers-offer/>, published on 25th November, 2016)

### Spat keeps SP busy, farmers suffer, says Modi

Prime Minister Narendra Modi, on Sunday mounted a scathing attack on the SP government in poll-bound Uttar Pradesh and accused the Akhilesh Yadav regime of being "unconcerned" to the hardships of the people.

Addressing a rally in Kushinagar during the BJP's ongoing Parivartan Yatras, the PM slammed the state government for showing laxity in implementing the Prime Minister Crop Insurance Scheme, while reiterating the Centre's commitment to farmers and said that his government had cleared a large part of the Rs 12,000 crores worth of dues to cane growers.

"Instead of giving a package to the sugar lobby, we gave the money directly to the cane growers. We also asked sugar mills to make ethanol and we have already produced 100 crore litres of ethanol to prevent sugar mills from closing down", he said.

"If they (the SP) have settled their dispute, they should implement this scheme which insurance a farmer's crop against any damage to their crops. But I don't think this UP government will be able to do any work because they are not even interested in this", he said.

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(Source-<http://sugarnews.in/spat-keeps-sp-busy-farmers-suffer-says-modi/>, published of 28th November, 2016)

### **Punjab CM Prakash Badal Urges PM Modi to Help Farmers in Ethanol Production**

Punjab Chief Minister Parkash Singh Badal on Friday urged Prime Minister Narendra Modi, who was here to lay the foundation stone for an AIIMS, to extend a helping hand to food growers in "this hour of agrarian crisis".

He impressed upon the Prime Minister to help in Ethanol production from maize to enhance income of farmers as wheat and paddy cultivation were no longer financially viable.

Badal urged Modi to encourage setting of industrial units for paddy straw processing to give fillip to income of farmers and also confirm a date for inauguration of AIIMS.

Talking of the foundation laying ceremony for AIIMS at Bathinda, Badal said, "This was possible because the NDA government was at helms of affairs at the centre and state.

The previous Congress governments deliberately denied Punjab its legitimate share in such projects.

Envisioning the state as a hub for quality healthcare, diagnostic, treatment and research, Badal said path breaking initiatives have been taken in these fields.

"These steps would reverse the trend of patients going to other states for treatment of cancer. Now patients would visit Punjab for quality treatment," he said.

Assailing Congress leaders for "misleading" people on loan waivers, he said this step was practically not feasible and they were issuing frivolous statements to attain power.

Addressing the gathering, Deputy Chief Minister Sukhbir Singh Badal said the AIIMS will prove a "game changer" for the state's health sector

He also informed the Bathinda airport would be made operational on December 11.

Claiming AAP will be out for a "duck" in the 2017 assembly polls, Sukhbir alleged, "This party is responsible for sacrilege of holy scriptures of the Quran and backstabbing farmers in Punjab in the Sutlej-Yamuna-Link canal issue."

On the SYL issue, Union Minister for Food Processing Industries Harsimrat Kaur Badal reiterated not a single drop of water will be allowed to be taken from Punjab.

(Source-<http://sugarnews.in/punjab-cm-prakash-badal-urges-pm-modi-to-help-farmers-in-ethanol-production/>, published on 25<sup>th</sup> November, 2016)

## COGEN

### Govt seeks to tap energy wasted by factories as power source

Draft says as much as 20-50% of the energy used by industry is wasted, being released into the environment in the form of exhaust gases and liquids that flow out of plants

The government has drawn up a plan to tap waste heat as a source of power. In a draft policy, the ministry of new and renewable energy estimates that the potential in selected industrial sectors for waste heat power generation (WHP) is about 5,000 megawatts (MW).

According to the draft, as much as 20-50% of the energy used by industry is wasted, being released into the environment in the form of exhaust gases and liquids that flow out of plants.

"The industrial sector accounted for 44% (532 billion KWh) of total electricity consumed (1,208 billion KWh) in India for the year 2015. Even considering 30% of this energy input being wasted by industry amounts to 160 billion KWh annually, equivalent to 20,000 MW of coal-based power generation capacity. This huge amount of waste heat is caused due to equipment inefficiencies and thermodynamic limitations of the equipment/processes," the draft said.

Industrial facilities can reduce this wastage by installing waste heat power systems to improve overall equipment and process energy efficiency, it said.

"Waste heat power generation will reduce the energy consumption per unit of production for Indian industries. Also WHP will result in savings of fossil fuels like diesel, high-grade coal, and furnace oil mainly used for captive power generation and thereby reduce the nation's GHG (greenhouse gas) emissions," the draft added.

The ministry has asked all stakeholders to come up with comments and suggestions by December end.

The National Democratic Alliance government has set an ambitious target of generating 175 gigawatts of renewable power by the year 2022.

The potential for waste heat power from industrial and non-industrial processes for countries such as the US is 7,000-10,000 MW of generation capacity.

India's potential for power generation through waste heat is significant as its industries are much less energy efficient when compared with advanced countries.

Sectors that have the potential for generating the estimated 5,000 MW of waste heat power include cement, glass, iron and steel, aluminum, food, petroleum refining, chemicals, ceramics and pulp and paper.

The draft policy also states that the electricity generated from waste heat power can displace power from sources that produce emissions such as coal-based thermal power plants.

"Waste heat power reduces its consumer's reliance on fossil fuel-based power generation. Generation of electricity from WHP does not add any carbon dioxide or heat to the atmosphere. Emission/temperature level remains almost the same even with increased generation capacity of electricity without using fossil fuels," said the policy, enumerating the benefits of WHP.

**(Source-<http://www.livemint.com/Politics/jUe3kZgQZTpRKGqKolFE1M/Govt-seeks-to-tap-energy-wasted-by-factories-as-power-source.html>, published on 29th November, 2016)**

## **Clean energy share rises to 7.54% in India's power generation**

Power generation from renewable energy sources like solar and wind has increased to 7.54 per cent of the total electricity generated in the country during April-September this fiscal, Parliament was informed today.

During the period, out of total power generation of 631.84 billion units (BU), 47.62 BU was generated from renewable energy sources, New & Renewable Energy Minister Piyush Goyal said in a written reply to Rajya Sabha.

According to the statement, in 2015-16, total power generation in the country was 1,173.60 BU including 65.78 BU (or 5.60 per cent of total generation) from renewable energy sources.

The share of power generation from renewable sources was 5.56 per cent at 61.78 BU in 2014-15. India's total power generation in that fiscal was 1,110.45 BU.

Government has revised upwards the target of renewable energy capacity to 175 GW by 2022 which includes 100 GW from solar, 60 GW from wind, 10 GW from bio-power and 5 GW from small hydro-power.

The total installed capacity from various renewable energy sources in the country as on October 31, 2016 is 28,279 MW from wind, 8,728 MW from solar, 4,997 MW from bio-power and 4,323 MW from small hydro power.

In another reply, the Minister told the House that total wind power generation capacity added in the country during 2015-16 is 3,423 MW and during 2016-17 (up to October 31, 2016) is 1,502 MW.

In a separate reply to the House, the Minister said, "Silicon in any form (Raw poly, ingot or wafer) is not produced in India. All cell makers currently import wafers only."

As per information received from Ministry of Commerce, 7,39,039 kg of undefused silicon wafers and 3,12,616 Kg of others were imported during 2015-16.

The Minister said that for the poly silicon available globally, rates vary from USD 11 per kg to USD 20 per kg.

He further said that government provides capital subsidy for setting up of manufacturing units for solar cells and modules and the entire value chain under Modified Special Incentive Package Scheme (M-SIPS) programme.

"Solar Photovoltaic products and their value chain including Polysilicon is an eligible vertical for incentives under M-SIPS. Till date, one project with a proposed investment of Rs 13,985 crore has been received under M-SIPS where Polysilicon has been proposed to be domestically produced," he added.

(Source-<http://economictimes.indiatimes.com/industry/energy/clean-energy-share-rises-to-7-54-in-indias-power-generation/articleshow/55665942.cms>, published on 28th November, 2016)

### **Consumers can pay electricity bill till Dec. 7**

For electricity consumers who had to pay the current consumption charges before November 30 in Coimbatore region, the Tamil Nadu Generation and Distribution Corporation (TANGEDCO) has given time till December 7 to pay without penalty.

This is because of demonetisation of Rs. 500 and Rs. 1,000 notes.

According to the chief engineer of TANGEDCO, T. Haldorai, only the current bill amount is collected from consumers and not any advance amount. When TANGEDCO announced extension of time, the rush was huge for payment of the bill amount for the first four days.

On November 11, the amount collected in Coimbatore region was Rs. 43 crore. It was Rs. 83 crore totally on November 12 and 13. On a normal day, the bill amount collected in the region is nearly Rs. 15 crore. The rush reduced gradually.

"We are asking consumers to pay online. However, the number of online users has not gone up substantially yet. We might look at having swiping machines at counters. This can be suggested," he said.

Now that Rs. 1000 notes can be used, the TANGEDCO will continue to accept Rs. 500 notes for payment of the bill amount till December 15, he added.

(Source- <http://www.thehindu.com/news/cities/Coimbatore/Consumers-can-pay-electricity-bill-till-Dec.-7/article16719601.ece>, published on 29th November, 2016)

### **Coal India's supply to power sector dips 4 pc in Apr-Oct**

State-run Coal India's fuel supply to the power sector witnessed a decline of 3.7 per cent to 216.5 million tonnes during the April-October period this fiscal, even as the Centre claimed the demand for coal has started picking up.

Coal India (CIL) supplied 225.1 million tonnes (MT) of coal to the power sector in the April-October period last fiscal, according to the latest government data.

While the dispatch of fossil fuel by CIL in October 2016 stood at 31.6 MT against 34.5 MT in same month a year ago, it said.

The supply of coal by Singareni Collieries Company (SCCL) during the April-October period marginally dropped by 1.2 per cent to 26.6 MT, against 26.9 MT in the corresponding seven months of the previous fiscal.

SCCL is a government coal-mining company jointly owned by Telangana and the Centre on a 51:49 equity basis.

The government last month said there were no plans to cut down coal production as the demand had already picked up.

(Source- <http://economictimes.indiatimes.com/industry/indl-goods/svs/coal-indias-supply-to-power-sector-dips-4-pc-in-apr-oct/articleshow/55647103.cms>, published on 27th November, 2016)

## India's electricity sector transformation builds momentum

India's latest electricity sector report provides some clear insights into the progress on the electricity sector transformation.

Thermal power plant utilisation rates are collapsing to below 50%, the growth rate in new builds has halved, and renewable power generation is up 26% year-on-year (yoy), six times faster than conventional power generation growth (at 4.5% yoy). India targets 16GW in 2016 rising to 22GW pa by 2019 of renewable energy installs.

- India's rate of thermal power installation has halved in the first seven months of 2016/17 (7M2016/17) to just 3.6GW – hardly the wave of new coal fired power plants that coal spruikers have been talking about. This is consistent with Energy Minister Piyush Goyal's call for new coal fired power plant builders to postpone new developments simply because they aren't needed. Goyal is also looking to close end of life coal fired power plants, given these are the most polluting.
- The average private thermal power plant operated in India for just 48.9% of the time in the 7M2016/17 (206.1GWh produced from 82.5GW of thermal capacity). India reports the average plant load factor (PLF) was 59%, down 400 basis points from 63% in the previous corresponding period (pcp), but utilisation rates were even lower, down at new record lows. Interestingly, this mirrors the trend evident now in China where stranded coal fired power generation capacity now exceeds 200GW and the government has called a formal coal plant build moratorium.
- India's economy is reported to be seeing +7-8% GDP growth, yet at face value this seems inconsistent with the last four months to October 2016 which saw electricity supply grow at just +1.5% yoy. However, examining the numbers shows the devil is in the detail. In the 7M2016/17, conventional power generation was 684TWh, +4.5% yoy. But renewables (excluding hydro) generation is +26.4% yoy to 55TWh, six times faster growth (renewables are now 8% of all generation, 19% including hydro). So the overall electricity generation growth is +5.9% yoy. And with transmission & distribution losses declining, consumption is growing more like +7% yoy year to date, in line with +7-8% GDP growth.

India's electricity system, being 75% reliant on coal fired power generation, is built on a wall of fossil fuel subsidies from the government. The last reported average cost of supply is Rs5.15/kWh (including T&D losses of 24.6% in 2014/15), and the average Indian retail selling

price is Rs4.00/kWh, meaning every unit of electricity sold in India carries a DISCOM subsidy of 29% on average.

The really poor people of India aren't grid connected. Subsidising coal for the middle class is hardly a solution for energy poverty. Goyal is working hard to remove all the subsidies for electricity, so as to level the playing field – as soon as this is done, new renewables at Rs4-5/kWh are clearly below grid parity, and way below the cost of new imported coal fired power generation which sits at Rs6-7/kWh. Removing grid subsidies will also make distributed solar more cost competitive, underpinning Goyal's 40GW of rooftop solar target.

- The Ministry of New and Renewable Energy targets 16 GW of new renewable energy in 2016/17, rising to 20GW in 2017/18 and 22GW in 2018/19. While IEEFA views these as ambitious stretch targets; we note that this means renewables capacity growth will be double to triple the expected install rate of new thermal power across India for the rest of this decade.[1] The target of 225GW of renewables by 2021/22 rising to 350GW by 2030 shows global leadership in the transformation of India's electricity system.
- Goyal continues to forecast coal imports into India to decline by -20% yoy in 2016/17,[2] [3] and the logic behind this forecast is unpinned by the recent doubling of traded thermal coal prices to the current US\$96/t (Newcastle 6,000kcal benchmark), literally pricing imports out of the market for the world's #1 thermal coal importer. It is little surprise to us that the forward price of thermal coal is down 20% month on month to US\$65/t,[4] on the back of China reducing near term domestic coal supply impediments.[5]
- With Coal India Ltd having curtailed production growth entirely over 2016/17 (-0.1% yoy to 274Mt in the April-October 2016 period)[6] in order to cut excess coal stockpiles, IEEFA expects a pickup in both China and Indian coal production in the next 3-6 months, once again putting the traded coal market into an oversupplied position just as export mines ramp up production.

(Source-<http://reneweconomy.com.au/indias-electricity-sector-transformation-builds-momentum-62918/>, published on 29<sup>th</sup> November, 2016)

#### Quote of the day

*'Simplicity is the ultimate sophistication.'* -Leonardo da Vinci