

# India lagging on targets set in 1st RE-Invest

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The third edition of RE-Invest concluded on November 28, but India's installed renewable energy capacity is still away from the commitments made during the first RE-Invest meet held in 2015.

At the first meet there was a green energy commitment of deploying 271 GW and 43.3 GW manufacturing capacity installation. But the current installed renewable energy capacity is around 90 GW, this includes 36 GW of solar and 38 GW of wind energy.

A significant increase has been reported in the deployment of solar energy (multi-fold rise) since the first RE-Invest but the same cannot be said about wind energy. According to sector watchers,

the slowdown can be attributed to the withdrawal of benefits to wind energy project developers. The introduction of reverse bids has had a noticeable adverse impact on the wind energy sector.

Those that thrive in the current regime do not share this pessimism, but others that did not survive point the blame in many directions.

## Industry churn

Much like any other business, some of the promisers during the first RE-Invest such as Sun Edison Energy, Sky Power, Yes Bank, Moserbaer and Suzlon have run into trouble, others like Adani, NTPC, Renew Power and State Bank of India seem to be going strong on their agenda.

Some of the dominant play-



ers today such as the multinationals that command lowest tariffs here, like Sembcorp, did not even figure in the list of initial promisers.

## Major concerns

Most players point out the concerns regarding land availability that may be the single biggest impediment to the clean energy sector in India. An example of how land availability can severely impact a project was when the Madhya Pradesh government

had junked the Power Purchase Agreements of Sky Power Solar's projects.

Some developers have started working around the issue by looking at scattered land banks, spread over manageable distances, instead of a single chunk of land at the desired location. Since both solar and wind conditions vary across locations, getting the right piece of land is important. In addition to land, the tendency of State governments to shy away from seemingly expensive tariffs has also alarmed investors. The move of the Andhra Pradesh government to terminate PPAs still sends shivers down the spine of project developers who routinely cite the case when asked about impediments India.