

HT consumers/Captives/RE based generation

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PTC India Limited

What's Common?

- ❑ [Steve Forbes](#), American entrepreneur and politician
- ❑ [Nelson Mandela](#), [President of South Africa](#), [Nobel Peace Prize](#) laureate
- ❑ [Priyanka Chopra](#), Indian actress and Miss World 2000
- ❑ [Gymnast Nadia Comaneci](#)
- ❑ USEA/USAID/Visitors

Market imperatives for HT consumers/Captives/RE based generation



- ❑ Ability to meeting the needs of HT consumers for maintaining the GDP growth rate is a national imperative
- ❑ Energy security needs and Climate Change issues dictate a greater focus on RE and Waste heat based generation
- ❑ PTC, by virtue of its role in realizing commercial potential of the power market has identified the issues as well possible solutions for the stakeholders in these business segments
- ❑ The clear focus in all interventions of PTC is “Commercial Viability”
- ❑ PTC has a dedicated business group focused on these business segments.

Issues facing HT Consumers

- ❑ High distribution tariffs as compared to International benchmarks
- ❑ Uncertain power quality in many areas
- ❑ Customer Service concept still needs to be ingrained in many Distribution zones
- ❑ Inadequate supply for current power needs/expansions
- ❑ Onerous Electricity Duty for captive generation in some states
- ❑ Unclear wheeling procedures

Issues facing Captives/RE or Waste based Generators

- ❑ Unattractive or restrictive procurement regimes by incumbent Distribution companies
- ❑ Inadequate transmission offtake capacity eg Wind Generators in Tamilnadu having to back down generation
- ❑ Onerous Electricity Duty for captive generation in some states
- ❑ Unclear wheeling procedures

Provisions in the Electricity Act 2003 and EA(Amendment) Act 2005



- ❑ Right to set up captive generation , wheel and sell power
- ❑ Exemption from cross subsidy for power sourced from captive plant
- ❑ Distribution Franchise concept to inculcate greater local accountability
- ❑ Regulators to allow time-bound open access in Distribution Networks
- ❑ Incentives for Distribution Companies to improve
- ❑ State regulators mandated to fix percentage of procurement by DISTCOMs from RE sources

Challenges

- ❑ Metering standards for open access quite stringent- small industries/consumers may find difficulty
- ❑ Lack of clarity on energy accounting mechanisms at state level
- ❑ Lack of knowledge of sourcing options for HT consumers
- ❑ Lack of knowledge of sale options for Captives/RE/Waste heat based Generators
- ❑ High level of cross subsidy surcharge for sale to third parties

PTC's value proposition for HT Consumers/ RE and Waste Heat Generators



- ❑ Knowledge sharing through dedicated studies for consumers
- ❑ Long term offtake of waste heat based/renewable power
- ❑ Working with stakeholders like CEA/Regulatory Commissions
- ❑ Short term offtake of surplus power from captive power plants.
- ❑ Proven track record Eg. First ever long term(25 years) offtake arrangement for Waste heat recovery based power in Western India; First ever medium term offtake of power from a new Bagasse based cogeneration plant
- ❑ Networking with equipment suppliers like metering solution providers, T&D infrastructure providers etc. to structure practical solution



Thank you....

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