Draft National Energy Policy- 17

Why in News?

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There has been calls for redoing the entire DNEP-17 exercise as it is fraught with contradictions and omissions.

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What is the new policy about?

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- NITI Aayog’s Draft National Energy Policy (DNEP), which was finally unveiled in June for public comments.
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- The four key objectives of the new energy policy are ensuring access at affordable prices, improving energy security & reducing dependence on fossil fuels, Promoting greater sustainability & renewable energy & Ensuring sustained economic growth.
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What are the notable points in the draft?

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- It foresees India’s power demand shooting up over four-fold.
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- The draft policy has made a case for higher tax on big cars, SUVs and promotion of mass transport system like metro rail to improve air quality.
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- The renewable energy mix by 2022 is targeted at 175 GW.
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- There has been a mention on phasing out IC engine vehicles but not much emphasis has been given.
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What are the issues with the draft?

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- **Coal -** It has been estimated that coal-fired power capacity will grow to 330-441 GW by 2040.
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- This is in direct conflict with the declared twin goals of sustainability and comes ironically at a time when solar and wind tariffs appear to be reaching historic new lows.
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- The Aayog also forecasts that "'our coal industry will emerge as an exporter of coal" in the backdrop of the shocking drop in demand for coal from most industrialised.
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- Instead of focusing on phasing out our existing thermal power stations and replacing them with clean energy alternatives, the proposal to geographically locate power plants such that they do not damage air quality in human habitations makes little sense.
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- **Gas -** It suggests that India should try hard to construct the Iran–Pakistan–India (IPI) and Turkmenistan–Afghanistan, Pakistan and India (TAPI) gas pipelines.
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- promote LNG imports, incentivise shale and conventional gas exploration, replace LPG in urban areas by piped gas and divert LPG to rural areas.
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- All these are great suggestions, but most have been made earlier.
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- Transnational gas pipelines like IPI and TAPI have been under discussion for over 20 years. But they have had no success
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- **Nuclear -** The draft's focus on Nuclear energy has been critiqued as they neglect concerns regarding safety & intensive capital investment requirements.
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What is the way ahead?

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- Considering the calls for redoing the entire exercise, the government needs to consider the major changes to the draft when coming out with the actual policy.
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- The contradictions in the draft need to be addressed & already failed suggestions needs to be sidelined.
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- As articulated by some academics, the policy needs to be more specific with steps for implementation rather than as a framework vision document.
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Source: EPW, Businessline

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