

# Solar power in India

## What is the need for solar power?

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- Sunlight received by earth in one hour is enough to meet the annual energy needs of all people worldwide.
- Global warming has to be curbed to a 1.5 degrees Celsius rise, in accordance to the Paris Agreement of 2015.
- India is a signatory of this accord, solar energy is vital to meet these commitments.

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### What are the advantages?

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- Safe Nuclear power pollutes water and land and has caused environmental catastrophes, use of solar energy will eliminate these unsafe consequences.
- **Combats Climate Change** Solar power can restrict climate change as it produces no carbon emissions.
- Small and Decentralized Electricity Source Electricity can be generated using photo - voltaic cells installed on roof - tops of individual buildings.
- **Green energy in rural area** This is crucial for agri business in farms for running irrigation, greenhouses, and crop and hay dryers, making agriculture risk free.
- Cheap and Reliable Energy Source The price of solar PV panels have decreased by 60% and the cost of the solar electricity system by 50%.

• **Employment Generation** - such as small businesses engaged in installations, followed by solar designers, sales person and service professionals.

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#### What are the Government initiatives?

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- The National Solar Mission phase I was launched in 2010.
- The Mission has set the ambitious target of deploying 20,000 MW of grid connected solar power by 2022.
- The state governments have also announced solar policies to promote solar energy technologies in their respective states.
- Phase II of the mission includes following schemes
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• **Solar Park Scheme** - Scheme for Enhancement of capacity from 20,000 MW to 40,000 MW for Development of Solar Parks and Ultra Mega Solar Power Projects.

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- **CPSU Scheme** Implementation of Scheme for setting up of 1000 MW of Grid Connected Solar PV Power Projects by Central Public Sector Undertakings (CPSUs).
- **Defence Scheme** Scheme for setting up over 300 MW of Grid Solar PV Power Projects by Defence Establishments under Ministry of Defence and Para Military Forces
- VGF Scheme (5000 MW) Scheme for setting up of 2000 MW Grid Connected Solar PV Power Projects with Viability Gap Funding (VGF)
- Canal Bank / Canal Top Scheme Pilot cum Demonstration Projects for Development of Grid Connected Solar PV Power Plants on Canal Banks and canal Tops

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#### Areas of concern

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- Lack of manufacturing firms This is due to the fact that the cell manufacturing companies in the US, China, Taiwan, Malaysia and EU are dumping their cells in Indian markets at lower costs.
- Absence of Proper Financing Mechanism National banks provide debt at a rate much higher than what is available in the developed nations.

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- Due to NPA issues there is no flow of funds to solar infrastructures.
- Availability of Land and Its Possession Finding a suitable land which must be non - agricultural and unused land with good solar irradiance is challenging.

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- Lack of skilled workforce the solar energy is unlike the other renewable and non renewable energy sources lags in skilled manpower.
- Environmental concerns Recently a capacity in Rajasthan was stalled after it was found that 40% of the land allotted was part of a lake which would get submerged when the water level rises during monsoon.
- $\bullet$  That could have also result in a major ecological issue, as that lake is the second largest breeding ground for flamingos in India  $\ensuremath{^{\backslash n}}$
- **Evacuation of power** Many regions in some states don't have required power grid. It is responsible for very high Aggregate Technical and Commercial losses.

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 $\bullet$  There is no set up for exclusive transmission lines for evacuating energy from renewable energy sources.  $\mbox{\sc h}$ 

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### What should be done?

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• Use of waste lands - Based on the assumption that 3% of wasteland in

each state can be used for solar power projects.  $\n$ 

- Promoting decentralized plants To promote the usage of rooftop solar power and other solar appliances schemes should be introduced, based on the existing schemes for LED distributions.
- **Manufacturing** The production of flat glass and its raw materials must expand to eliminate supply constraints or future imports
- **Hybrid solar plants** Solar panels can be located in the space between the towers of wind power plants.
- $\bullet$  This type of plants are already setup in Himalayan regions this can be extended to other terrains.  $\mbox{\sc h}$
- **Financing mechanisms** Ministry of finance should come up with innovative financing measures to promote these capital intensive renewable energy projects.
- Financing measures such as clean energy fund, generation based incentive linked loan repayment and green bonds are some of those.

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