

**Minutes of the Conference of Power and Mines Ministers of States and
Union Territories held on
9th& 10th April, 2015 at Guwahati**

Address by Secretary (Power)

1. Secretary (Power), Government of India welcomed the Hon'ble Minister of State (IC) for Power, Coal and NRE, Ministers and Secretaries of Power, Renewable Energy and Mines from States / UTs and other delegates. While touching upon the issues covering the entire gamut of energy sector including Power, Renewable Energy and Coal, Secretary (Power) mentioned about the synergy between the three Ministries namely, Coal, Power and Renewable Energy at the apex level. He added that the main thrust of this Conference was on how to develop the transmission and distribution sectors in partnership mode to keep pace with generation for realizing the goal of '24X7 Power for All', for which involvement of the States was vital. He stressed the need for AT&C loss reduction and closing of the gap between ACS and ARR to avoid financial stress to the Discoms.
2. Secretary (Power) also highlighted the excellent performance of power sector during 2014-15, particularly in terms of capacity addition in generation and transmission, leading to the lowest ever energy shortage of 3.6%.
3. Touching upon new initiatives, he mentioned about newly launched schemes, namely, Deen Dayal Upadhyaya Gram Jyoti Yojna, and IPDS. He mentioned about the scheme approved for utilization of stranded gas based plants, energy efficiency schemes of LED lights distribution to households and replacement of street lights started in more than 100 towns. Secretary (P) also touched upon the subject of "Ease of Doing Business", elaborating the steps taken for reducing the time and cost of obtaining electricity connection in Delhi and Mumbai and the need for its replication in all Discoms

Address by Secretary, MNRE

4. In his address, Secretary, MNRE, mentioned about Budget announcement for the target of setting up 175 GW capacity up till 2021-22 in non-renewable energy sector. He further indicated that achieving such an ambitious target by 2022 will not only require RPO compliance in totality but also aligning RPO to the trajectory as suggested under NAPCC. Amendments in Tariff Policy have also been proposed to align the RPO targets as per NAPCC recommendations. CEA is in the process of planning transmission infrastructure for the proposed renewable power capacity addition. States were requested to provide the information in the revised format that seeks district/town/village-wise, technology-wise, developer/IPP-wise and pooling station-wise renewable power capacity addition up to 2021-22. As regards utilization of 13th

Finance Commission grants for strengthening of Discoms, the States were requested to utilize the incentive grant for promotion of renewable energy in the State and in this regard MNRE had sent a list of areas where the incentive grant could be utilized. Secretary (MNRE) urged the States to take up measures including real time data transmission from RE generators, amending State grid codes for facilitating scheduling and forecasting of renewable energy. SLDC had to initiate action for creating an eco-system for forecasting at the State level. He added that 'Re-invest 2015' was organized in which 41 countries participated. It was informed that funding by KfW, World Bank and ADB would be facilitated by Central Government. Tax free bonds from State Financial Institutions would be floated for financing NRE Projects. He further mentioned that a separate fund was proposed to be created to cover hedging risk and that Rs. 5000 crore incentives to 24 States had already been provided in recognition of their past excellent work in renewable sector.

Address by Secretary, Coal

5. Secretary, Coal, mentioned about the Paradigm shift in coal sector and increase in coal production for enhancement of thermal generation capacity to ensure '24X7 Power for All' within a specified time period. He mentioned that the Supreme Court verdict on Coal Block allocation had been converted into an opportunity. Coal Ordinance had been put in place with clarity of thought as per guidance of all concerned. A significant achievement in entire coal auction process was the "reverse auction" process. He added that a road map had been formulated for availability of adequate quantity of coal in next 5 years. Recent increase of coal production by Coal India Ltd. had been possible due to adoption of innovative practices, surveillance system and good management practices. He requested the State Governments to expedite the clearance for new coal mines and for clearing the outstanding dues of CIL.

Address by Minister of Power

6. Hon'ble Minister of State (IC) for Power, Coal and NRE extended a warm welcome to the delegates and mentioned that it was the first time that the Conference was being held outside Delhi, especially in North East, which gave the message of oneness, brotherhood and belonging. The idea was to reach out in the true spirit of co-operative federalism.
7. He emphasized the need for quality '24X7 Power for All at reasonable rates in all States. He mentioned that the coal block auction had been appreciated all over the world. Thereafter, the Minister mentioned that 1,25,000 toilets were being constructed by the PSUs of Ministries of Power, Coal and NRE under CSR. He added that Cancer Hospitals shall be established in coal bearing States such as Orissa, Jharkhand, West Bengal etc. out of CSR funds.

8. The Hon'ble Minister desired that information regarding gap between energy generated and distributed at feeder level needs to be compiled, analyzed and made available to him. CMD, PFC informed that many states were not providing this data.

Secretary (Power) requested all States to ensure compiling of such data at Feeder level and send to PFC every month. [Action: JS (Dist.) & States.]

9. He added that PGCIL would expand the transmission network by 65000 MW in a time bound manner. Rs 26,000 crores had been earmarked for a new interconnection between Raigarh in Chhattisgarh and Tamil Nadu which is also being extended up to Kerala.
10. Hon'ble Minister mentioned that as a major initiative for the North-East, Govt. of India had earmarked about Rs. 10,000 crores for all NE states including Sikkim for strengthening of their transmission and sub-transmission networks on a fast track basis. In this regard, he requested for support from all NE states for settling RoW issues etc. at the earliest. He mentioned about completion of Silchar-Imphal Bongaigaon-Balipara line and stated that Biswanath Chariali-Agra Transmission Line was expected to be completed within next few months. Hon'ble Minister of State (IC) for Power, Coal and NRE was hopeful of early completion of stranded power projects such as Teesta III in Sikkim and Lower Subansiri in Arunachal Pradesh. He emphasized that these projects would finally help generation of employment and would also usher a new industrial era in the region. He requested the Government of Assam to find a solution for the Lower Subansiri HEP in the interest of all stakeholders. He explained that the Ministry of Power was working diligently towards finding a solution. He added that the Inter-Regional Capacity of National Grid was planned to be enhanced to 72250 MW from the present 45,540 MW. It was observed that wherever congestion in transmission corridor was experienced in the past, the reasons were un-coordinated planning, mis-match of power flow, skewed power demand etc.

For addressing the ***problems of forecasting and scheduling of solar and wind power, Hon'ble Minister suggested that proper software technology from advanced countries may be obtained and grid management should be streamlined. [Action: CEO POSOCO, MNRE and JS (Trans).]***

11. Hon'ble Minister of State (IC) for Power, Coal and NRE also touched upon the Issue of burnt transformers. It was indicated that BIS certification has become mandatory for distribution transformers. Hon'ble Minister emphasized that there should not be any compromise on quality and technical specifications.

He requested States to reduce the AT&C losses to the optimal level in coming 3 to 5 years. He also requested States to come down heavily on defaulters/entities involved in electricity theft. [Action: JS (Dist.) and all States]

Presentation of Agenda

12. In his presentation, Joint Secretary (Hydro), MoP highlighted that hydropower potential of the country is not yet fully exploited. Water power is a State subject and therefore active support from States is essential for the development of hydropower projects. He observed that NER has the highest hydro power potential and the Region can be developed as Hydro Power Hub of the country. With reference to reasons for delays in the implementation of the hydropower projects, he explained that the process of obtaining statutory clearances has now been streamlined. Basin studies are taken up on priority. Regular monitoring at the highest levels is being done for expediting clearances and to avoid delay in the implementation of projects.
13. He mentioned that a good number of projects were allotted to private players by the States. However, many of them are not progressing. **He requested State Governments to review such projects, weed out non-serious players and take decision regarding re-allotment of the same to CPSUs, which are quite capable in terms of availability of funds, manpower, expertise and experience to take up these projects for implementation. [Action: JS (Hydro) and all States.]**
14. Giving details of the draft guidelines on Local Area Development Fund (LADF), it was clarified that LADF is meant for income generation of project affected families in perpetuity as well as creation of additional infrastructure for sustainable economic growth of the local people. State Governments were requested to implement LADF in accordance with the revised guidelines. He urged upon the States to suggest corrections/modifications in the proposed draft of Hydropower Purchase Obligation (HPO) for making the scheme workable. He invited suggestions regarding possible incentives that may be provided to downstream States for facilitating development of hydro projects. In the Power Ministers' Conference, **suggestion for a High Power Committee for the development of Hydro Power in North Eastern Region was mooted. States were urged to give their suggestions for composition and term of reference of such Committee/Task Force.[Action: All States and JS (Hy)]**
15. He requested States for early payment of pending dues of about Rs.7232 crore of hydro CPSUs.
16. Joint Secretary (Thermal), in his presentation, gave detailed brief of the scheme for utilization of stranded gas based generation capacity in the country for which OM had been issued on 27/3/2015. He informed that 9,845 MW were receiving some domestic gas & 14,305 MW were completely stranded power plants receiving no gas during April-Jan 2014-15. Schemes envisages supply of imported spot RLNG (e-bid RLNG) to stranded gas based plants as well as plants receiving domestic gas up to the target PLF

through reverse e-bidding process. The scheme also envisages sacrifices made collectively by all stakeholders & support from PSDF. Target PLF, ceiling of PSDF support for bidding and the target price are to be fixed by EPMC. Support from State Government was sought for waiver of VAT, CST, Octroi, entry tax on e-bid RLNG, purchase of power by Discoms at target price and prompt payment by Discoms to Trust and Retention Account (TRA).

17. ***Support of States was sought for grant of electricity distribution license to NTPC/NESCL under section 14 of Indian Electricity Act for distribution of electricity within 5 Km radius and allocation of power to 5 KM area from already allocated quota of State utilities from respective NTPC power plants. [Action: States Govt concerned and JS(Th)]***

JS (Thermal) sought support from States for expeditious land acquisition w.r.t. land required for projects, underground pipelines, approach roads and R&R activities etc. and maintenance of law and order in project areas to ensure timely completion of projects. ***JS (Thermal) also informed that five Ultra Mega Power Projects (UMPP), to be set up on plug & play mode, had been announced in budget 2015-16 & sought support of States for encumbrance free land, water linkages and help in obtaining environment & forest clearances for expeditious implementation of the UMPP projects. [Action: State and JS (Thermal)]***

18. JS (Distribution), MoP made a presentation on the three new schemes viz. Deen dayal Upadhyaya Gram Jyoti Yojana, Integrated Power Development Scheme (IPDS) and National Smart Grid Mission. He highlighted that AT&C loss reduction trajectory had been already agreed upon between various Discoms and MoP, State Discoms must submit quarterly AT&C loss reports to MoP/PFC at regular intervals. Hon'ble Minister of State for Power (IC) ***desired the trajectory to be advanced so that States can achieve the targets by 2019-20 itself. All State Utilities were requested to take up remedial measures to improve financial health of Discoms. In this regard, the following measures were emphasized:-***

a. Timely and cost effective tariff setting by Regulators.

b. AT&C loss reduction as per the trajectory finalized by the Ministry in consultation with States.

c. Metering of all consumers including agriculture and single point consumers and adoption of energy accounting and auditing methodology. [Action: JS (Dist.) and all States]

19. In the presentation by Joint Secretary (Transmission), MoP it was highlighted that preparation of State specific documents to address issues of access and providing 24x7 power supply to all have been initiated. For Agriculture – Hours of supply is to be decided by States. “24x7 Power for All” supply documents have already been

prepared for Andhra Pradesh and Rajasthan and are available on MOP's Website (www.powermin.nic.in). The States were requested to assess adequacy of power transmission and distribution system and identify gaps in their generation, transmission and distribution systems.

It was requested that the States may facilitate expediting completion of these documents, which should be financially viable and sustainable. It was also indicated that 3 consultants: CRISIL, MECON and DELOITTE have been appointed for assisting in the preparation of these documents and States have been assigned to them. [Action: JS (Trans.) and States]

20. ***To bridge the Power Supply gap, States / UTs are required to make perspective plans for procurement of Power to meet their demand and it was suggested that States should enter into Long-term Purchase Agreements which will provide reliable power at reasonable costs. [Action: States]***
21. ***It was informed that MoP has framed the bidding document for procuring power which the States can use to procure long term power. The States were also requested to ensure submission of LTA (long term access) applications well in time. [Action: JS (R&R)]***
22. For coal transport rationalization, Inter – Ministerial Task Force was constituted by Ministry of Coal (MOC). With rationalization of coal transportation, the report of KPMG has shown a logistical saving of Rs. 4500 to Rs. 6000 crores. Based on recommendations in the KPMG Report, first phase is already under implementation and saving of Rs. 1000 crores is expected in this phase. ***The States were requested to further implement the suggestions made in the IMTF report to reduce the transportation cost wherever possible. [Action: Ministry of Coal (MoC)]***
23. It was informed that the 20-year Perspective Transmission Plan for 400 kV and above has been formulated by CEA. The States were requested to submit load projection and other relevant inputs to CEA. ***The States were also advised to plan their intra-state transmission network. CEA will provide necessary support in this regard. [Action: CEA and States.]***
24. Regarding, Green Energy Corridor, it was informed that Govt. of India has an ambitious plan to establish 1,00,000 MW Solar and 65,000 MW Wind generation in next five years under which setting up of 25 solar parks in various States, each with capacity of 500 MW to 1000 MW is being envisaged. ISTS is being implemented by PGCIL for evacuating power from renewable generation sources and some States have already started construction of transmission lines as indicated in Green Energy-I report prepared by POWERGRID. Further, Power Grid Corporation of India has also prepared Green Energy II (Part-A) report for solar parks of around 22000 MW.

25. ***The States were advised to get the schemes cleared in the Standing Committee of CEA and also to identify intra state system for evacuation. Further, it was emphasized that the States should firm up their renewable generation plans. [Action: States]***
26. ***Hon'ble Minister of State (IC) for Power, Coal and NRE directed to constitute a Committee under the Chairmanship of Mr. Devendra Chaudhry, Special Secretary, MoP with representation of Power Secretaries from States active in RE generation to examine and provide solutions for the problems of scheduling & forecasting of RE generation considering recent UI regulations of CERC. Hon'ble Minister desired that the Committee will meet once a week. [Action: JS (Thermal) & MNRE.]***
27. EPTA gave a presentation covering the growth of State Grids and emphasized that the projects need to be planned as per their requirement.
28. Hon'ble Minister of Power asked Madhya Pradesh to elaborate their policy for compensation to farmers for land under the transmission lines. The representative of Madhya Pradesh stated that apart from crops compensation, the State Govt. has also decided to pay 15% of land cost as additional compensation for land falling under the transmission lines.
29. Shri Ajay Jain, Pr. Secretary, Govt. of Andhra Pradesh presented a case study on the Adoption of Energy Efficiency in Andhra Pradesh including the introduction of LED lighting for homes and for streetlights. EESL business model will help transform all ULBs and electricity distribution companies towards achieving this goal. He also mentioned about the Perform, Achieve, and Trade (PAT) programme under which thermal power stations (and units in 7 other industrial sectors) had been mandated to reduce their specific energy consumption (or heat rate) to bring it closer to the design value.
30. ***Hon'ble Minister of State (IC) for Power, Coal and NRE noted the huge benefits that had been obtained by the rapid bulk procurement of LED bulbs by EESL. Over the period of about a year, the bulk procurement price had reduced from Rs.310/- to Rs.82/- for a 7W LED bulb.***
31. ***Hon'ble Minister of State (IC) for Power, Coal and NRE directed to form a Committee under the Chairmanship of Shri R.N. Choubey, Special Secretary, Ministry of Power, consisting of members from States, CPSUs, MoP and also from EPTA to analyze the issues relating to Right of Way for laying of transmission lines in the country and to suggest a uniform methodology for payment of compensation on this count. It was suggested that possibility of considering the use of the Right Of Way State/ National highways and railway lines for construction of transmission lines may be explored, even if certain amount of diversion of the line was required. Incentive/ penalty for early/ delayed commissioning of transmission line may also be incorporated in the policy. [Action: JS (Trans)]***

32. Joint Secretary (MNRE) in his presentation highlighted that in the global context, India was in 5th position in Wind power generation and 11th in solar power generation. MNRE is targeting to augment RE power up to 175 GW by 2022. For the same, RPO requirement will be 10.5% for 100 GW solar by 2022. Rs. 5000 crores grant had been allotted to the States as part of the Finance Commission grant and the funds had already been disbursed. State Government may take adequate care to spend a part of the same on development of Renewable Energy Power Projects.
33. ***Hon'ble Minister of State (IC) for Power, Coal and NRE appealed to the State Governments to assume the role of facilitators for development of Renewable Energy Power Projects as in the State of Andhra Pradesh. Wheeling charges for transmission, open access surcharge, etc. may be considered for waiver. A Committee may be formed with members from MNRE, Ministry of Power, GOI, State of Gujarat and Maharashtra etc. for developing a viable banking policy. [Action: MNRE & States]***
34. A presentation was also made on Dollar Tariff Policy for development of Solar Power Plants where plants shall be set up through external borrowing which will be able to sell power in dollars.
35. Representative of Wind Independent Power Producers Association (WIPPA), gave a presentation on large scale development of solar and wind projects across India.
36. Joint Secretary, Transmission gave a presentation on the proposed Amendments in Tariff Policy.
37. ***It was decided to upload the proposed amendments in Tariff policy on the website of MoP and the States were requested to offer their comments within 15 days. [Action: JS (R&R)]***
38. Shri Devendra Chaudhry, Special Secretary, MOP, gave a brief overview on the achievements made in construction of toilets in various schools all over the country under Swachh Bharat Abhiyan as part of CSR. It was highlighted that NHPC has done a commendable job in construction of large number of toilets in the nearby villages under Lower Subansiri Hydro Power Project in Arunachal Pradesh/Assam with involvement of local population. This had changed the perception of local people in regard to the hydro project.

Deliberations on Agenda Points and Views of States/UTs

39. Hon'ble Union Minister for Power, Coal & NRE then invited suggestions and views of the Power and Mines Ministers of the States/UTs on the agenda issues which are summarized as under:-

Bihar

40. States owning older plants were enjoying very low power tariff whereas States going for new power plant were facing the problem of higher tariff.
41. As per Finance Ministry regulations, there was a ceiling in respect of borrowing limits for States. Matter needed to be taken up with Finance Ministry to increase the limit in respect of Power Sector Projects so that States can borrow more funds and implement projects.

Karnataka

42. Assistance of Govt. of India was solicited to start production in coal mine allotted to Karnataka.
43. Rationalization of coal blocks was required for swapping coal blocks for reducing transportation costs to State utilities.
44. Railways need to take suitable measures to ensure uninterrupted movement of rakes carrying coal.
45. The State Government proposed to allow the land owners to use their agricultural lands for installation of 1 to 3 MW of solar generation. About 10000 land owners had shown interest in this initiative and the State proposes to provide solar pump sets to SC/ST and economically backward groups at subsidized rates.
46. The major constraints in development of wind energy were delay in getting environmental clearance and resolving RoW issues. ***Gol may examine possibility of amending the old telegraph act so that adequate compensation to farmers can be provided and RoW issues settled early. [Action: JS (R&R)]***

West Bengal

47. For increasing the coal production from CIL a Committee needed to be set up to closely monitor the entire process of coal production.
48. There were wide variations in coal prices based on calorific value. Rationalization of coal price needed urgent attention. Coal regulator may be put into place.
49. The issue of slow transportation of coal by Railways should be taken up at appropriate level.
50. ***Hon'ble Minister of State (IC) for Power, Coal and NRE directed Secretary, Ministry of Coal to take up the issue with Ministry of Railways. [Action: JS (Thermal)]***
51. More Pumped Storage Projects proposed to be developed to balance them with upcoming solar projects.

52. Annual Report on solar projects covering aspects of funding, technology, implementation etc. may be brought out to increase awareness among States.
53. States are in dark about on implementation of gas allocation policy and requested to involve the States in this regard.
54. ***It was suggested to procure smart meters on large scale for the States and to get the meters upgraded at regular interval. These needed to be standardized so that uniformity was maintained. [Action: JS (Distribution)]***
55. In this regard, the Hon'ble Minister of State (IC) for Power, Coal and NRE directed as under:-
- ✓ ***Rationalization of prices of different grades of coal is an imperative. This has been agreed to. [Action: MoC]***
 - ✓ ***Coal evacuation is a problem. The Progress of railway projects needs to be expedited. [Action: [MoC]***
 - ✓ ***The issue of setting up of Coal Regulator needs to be deliberated upon and given a careful thought before any decision is taken in this regard. [Action: MoC]***
 - ✓ ***Suggested to procure meters on large scale for the States. [Action: JS (Dist.)]***
 - ✓ ***Smart meters would need to get upgraded at regular interval. They also need to be standardized so that uniformity is maintained. [Action: JS (Dist.)]***
 - ✓ ***Ministry of Power would support the West Bengal's proposal for financing the pumped storage project from JICA. The matter of power allocation from Bhutan projects is already under consideration of the Ministry. [Action: JS (Hydro) & JS (OM)]***

Jharkhand

56. In spite of coal availability there was a peak load deficit of about 1600 MW against total demand of 3600 MW.
57. Requested for early clearance of two pending UMPPs.
58. West Bengal and Jharkhand were the two stake holders of DVC and the issues, if any, be resolved in consultation with the respective State Govts.
59. UMPPs are required to be set up in the State for which coal should be made available.
60. In view of the increasing mining operations in Santhal Parganas, a new subsidiary of Coal India can be started there.
61. More care should be taken by coal India with regard to environmental issues.

62. ***SBD for rural electrification projects may be simplified by REC and flexibility may be accorded to State Utilities duly approved by their Board of Directors for expediting /fast-tracking the rural electrification of UEV/new DDUGJY villages. [Action: JS (Dist.)]***

Uttar Pradesh

63. ***Coal block allocation had been done but there was no clarity for obtaining coal for the plants which were commissioned through MOU route. He suggested that coal may be provided at Central Power Sector rates and for developing new coal blocks, consultants may be engaged. [Action: MoC]***
64. Special policy was required for landlocked states like UP to bring down the cost of coal transportation.
65. Need for inter-state Power Purchase Agreement was stressed and suggested that DISCOMS be allowed to buy and sell power among them.
66. Some of the issues which were discussed in earlier meetings were yet to be completely resolved.
67. Issues and concerns regarding FRP need to be looked into in a time bound manner and suggested that next meeting of Power Ministers may be held in Agra, UP.
68. ***Coal blocks had been allotted to State agencies. Gol may consider issuing guidelines for engaging consultants for the development of coal blocks. [Action: MoC]***

Arunachal Pradesh

69. Geographical location of the State may be kept in view while any scheme was planned to be implemented.
70. ***There was scope for Wind Energy in Arunachal Pradesh. It was requested to increase the fund allocated under MNRE for Arunachal Pradesh. [Action: MNRE]***
71. ***It was indicated that no amount of bilateral talk between Assam and Arunachal Pradesh would be enough in solving the impasse regarding installation of Hydel Projects in Arunachal Pradesh and the effect of the same in downstream area. Accordingly, intervention of Central Govt. was requested to resolve the issues. [Action: JS (Hydro)]***

Kerala

72. 6000 MW hydro potential identified in the State, of which 2000 MW harnessed.
73. Requested for early clearance of 700 MW of various Hydro Projects.
74. About 750 MW of generation capacity in the State was stranded due to unviable cost of Liquid Fuel. Requested Gol to subsidize the price of RLNG to revive the projects.

75. ***Proposed to set up a coal based plant of 1320 MW for which GOI was requested to allocate coal linkage. [Action: JS (Thermal)]***
76. ***Kerala requested for adequate funds from the Green Energy Fund for setting up transmission corridors for RE Projects. [Action: MNRE]***
77. Raised the issue of delay in laying down standards for smart meters.

Andhra Pradesh

78. The State was committed to provide 24X7 reliable and quality power
79. ***Requested GOI to approve amendments in PPAs so that DISCOMS can finalize long term PPAs. [Action: JS (R&R)]***
80. A.P. DISCOMS had one of the lowest AT&C losses in the country- 12.5% in February'2015.
81. Power Sector reforms initiated way back in 1998 were being carried forward to make A.P. a model state in electricity generation, transmission and distribution.

Jammu & Kashmir:

82. J&K Govt. introduced a special Power Budget this year as 70% of its economy was dependent on power.
83. ***The issues of sub-standard distribution transformers supplied and non-furnishing of the quality certificates by vendors were raised. [Action: JS (Dist.)]***
84. It was indicated that necessary clearances required for hydro projects were not accorded in a timely manner. A special dispensation sought for developing hydro projects in the State.
85. Considering the equity: debt ratio of 30:70, J&K required equity amount of Rs. 18,000 crore for developing Hydro projects. J&K sought a separate central fund from GoI and also soft loans for developing power projects in J&K.
86. The State may be bailed out by GoI with creation of infrastructure for speedy implementation of projects located in remote valleys with huge transport and communication problems.
87. ***Deputy Chief Minister, J&K emphasized the need of a high power Task Force to consider all aspects of hydropower development and expedite clearances at all levels. [Action: JS (Hydro)]***
88. ***Secretary (Power), GoI suggested that the services of central agencies like PGCIL could be availed by States, if required, for procurement of various equipments as they follow standard procurement practices with streamlined technical specifications and quality standards.[Action: States]***

89. **Secretary (Power), GoI also suggested that a Task Force could be considered with participation from States having hydro potential like Sikkim, Arunachal Pradesh, Kerala, Uttarakhand, J&K, and Himachal Pradesh etc. Hon'ble Minister of State (IC) for Power, Coal and New & Renewable Energy suggested to include small hydro and pumped storage plants also in the scope of the proposed Task Force and also directed to convene a meeting at the earliest to discuss the above issues. [Action: JS (Hydro)]**

Haryana

90. There was a large gap between generation capacity and actual generation of power. More emphasis needed to be given on transmission and distribution areas to bridge the gap between demand and availability of power, so as to achieve the objective of 24x7 power for all.
91. **Best practices may be publicized, so that States may adopt the same with the help of central govt. [Action: JS (Dist.)]**

Chhattisgarh

92. Issues regarding Bundling of power were discussed.
93. Chhattisgarh raised an objection against giving distribution license to generating companies for distributing power up to 5 km range of a plant, as it was feared that consumers would prefer generating companies and Discoms may be at a disadvantageous position.
94. Attention was drawn to 2 Projects of Chhattisgarh, where land and water are available and forest clearance had been applied. Help of MoP was requested in arranging the forest clearance.
95. Chhattisgarh being a coal bearing state, 100% linkage instead of existing 65% to 35% ratio be given.
96. In Chhattisgarh, 2 nos of hydro projects were there in Naxalite Belt of Bastar District with installed capacity of 500 MW and 60MW respectively. He requested Hon'ble MOP to declare these Projects as National Projects.
97. Regarding DDUGJY, it was requested that Chhattisgarh may be kept in the same category as the NE States.
98. **Hon'ble Minister of State (IC) for Power, Coal and New & Renewable Energy indicated that the Finance Minister had announced 5 UMPPs on plug and play mode. He invited proposals from the States for development of such UMPPs. MOP said that sites of projects which were more than 25 years old, could be considered for setting up of UMPPs. [Action: JS (Thermal)]**

Tamilnadu

99. ***Coal linkage to NTPC-TANGEDCO JV (3x500 MW) was granted against 85% PLF. Since units were expected to operate at more than 90% PLF, addl. linkage for 10%% balance PLF was requested as special case. [Action: MoC]***
100. It was requested to allocate the Mahanadi and Machhakata coal block to TN, Draft tripartite agreements for 4 hydro electric projects under Cauvery Power Projects were being executed through NHPC.
101. MOEF Clearance for 2x500 MW TANGEDCO-NLC JV was requested at the earliest.
102. Requested to make arrangements for early issue of amendments regarding levy on Sea water cess. TN also proposed to establish 2 nos. of pumped storage HEP (500 MW & 2000 W) under the Green Corridor Scheme.
103. ***It was requested to enhance the MNRE's capital subsidy for off grid and on grid solar PV system from 100 KW to 500 KW. [Action: MNRE]***
104. TN generated the highest wind energy of more than 7300 MW. Suitable mechanism may be devised by CERC so that the surplus wind energy may be supplied to the other regional constituents.
105. ***Urged GOI to expedite the completion of transmission line and reduce the reliability margin from 750 MW to 500 MW to harness power from other region. [Action: JS (Trans)]***
106. Adequate supply of coal from CIL should be ensured for all the power plants of Tamil Nadu.
107. Tamil Nadu should also be allotted coal blocks.

Rajasthan

108. ***In case of solar pumps, 5 star rated energy efficient pumps may be procured by extending loan. Financial model for funding may be worked out. [Action: MNRE and BEE]***
109. At night, cheap power was available. Farmers may be given electricity at night to fill their water tanks (to be provided by the State Govt.) and use the water during the day for irrigation.

Telengana

110. 10000 MW of thermal power, 5000 MW solar and 300 MW wind energy are planned and were already in various stages of implementation.
111. Telengana fully committed to 24x7 power for all and will submit the proposal shortly.

Gujarat

112. Draft Resolution relating to Intra-State Transmission should be in accordance with proposed amendments of Tariff Policy.
113. ***CEA Electrical Safety regulation, 2010 may be amended so that equipment of required specification may be provided by DISCOMS and maintenance is the responsibility of the consumers. [Action: JS (R&R)]***
114. ELCB to be made mandatory even below 5 kW load.

Conference Resolutions

115. Based on the deliberations on agenda items including feedback from the States and UTs, the following resolutions were proposed for adoption:-

A 24X7 Power For All

- 1) States and UTs, in cooperation with the Central Government, would prepare the State specific “24x7 Power for All” document and monitor its implementation in the stipulated time frame. **[Action: All States/UTs]**
- 2) States and UTs would make an Action Plan for procurement of adequate Power in a time bound manner. **[Action: All States/UTs]**

B Transmission

- 3) ***Ministry of Power would suitably amend the Policy to incentivize construction and commissioning of transmission lines / projects ahead of schedule by enabling earnings of revenue from the day of commissioning itself if ahead of schedule and penalties for delay. [Action: JS (Trans)]***
- 4) Ministry of Power would work towards separation of CTU (i.e. PGCIL) from overall Transmission planning to avoid any conflict of interest. **[Action: JS (Trans)]**
- 5) States would endeavour to invest in intra-state Transmission lines on TBCB based mechanism. Necessary technical and institutional assistance will be provided by Govt of India. **[Action: States/UTs]**
- 6) The Ministry of Power would take up Service Tax related issues in the transmission sector with the Department of Revenue, Government of India and address issues relating to levy of other taxes such as Property Tax etc. **[Action: JS (Trans)]**
- 7) States /UTs would expedite actions at their level for timely resolution of ROW (Right of Way) issues including law and order issues for timely completion of Transmission projects. A Committee was constituted under the chairmanship of Special Secretary Power, Shri R.N. Choubey for evolving an appropriate compensation mechanism for resolving ROW and other related issues. **[Action: JS (Trans)]**

- 8) States / UTs would firm up their “Intra-State” requirements to integrate with the “20 Years Perspective Transmission Plan” prepared by Ministry of Power. [**Action: States/UTs**]
- 9) Central and State /UT Governments would work together to expedite forest and other clearances in a time bound manner. [**Action: JS (Hydro) & States**]

C Rationalization of Coal Transport

- 10) States would implement the agreed swaps of coal transport rationalization of Phase-I and take necessary steps to implement the KPMG report for coal transport rationalization. [**Action: MoC & States**]

D Thermal Power

- 11) The concerned State Governments would ensure that necessary notifications/amendments are issued by 15th April, 2015 for waiver of VAT, CST, Entry Tax / Octroi on the incremental imported spot RLNG (e-bid RLNG) for gas based power plants, for successful implementation of the Scheme for utilization of stranded gas based capacity. [**Action: States/UTs**]
- 12) State Governments would provide physical possession of encumbrance free land for setting up of power projects, including diversion of roads and overhead (O/H)lines passing through the plant boundary within one year of application or before the scheduled start of work at project, whichever is earlier. [**Action: States/UTs**]
- 13) For setting up of 5 UMPPs (as announced in budget speech in 2015-16) states would facilitate expeditious identification of land, provision of water and help in environment & forest clearances, etc. [**Action: JS (Thermal) & States**]

E Hydro Power

- 14) States / UTs would consider development / allotment of hydro power projects, including Pumped Storage Schemes, to the Central PSUs or develop themselves in a time bound manner so as to supplement the efforts to have more peaking power capacity as well as assist in balancing and reducing variability due to large planned renewable energy capacity. [**Action: JS (Hydro) & States**]
- 15) States / UTs would support Government of India in its endeavour to incentivize hydro power development and mutually share concerns and benefits related to development of hydro power potential, including pumped storage potential. [**Action: JS (Hydro) & States**]

F Distribution Strengthening

- 16) State/UT Governments would submit the DPRs of DDUGJY and IPDS at the earliest in consultation with the District Electricity Committee for approval of the Monitoring Committee and would award contracts for implementation of the projects within 3 months from sanction. [**Action: JS (Dist.) & States**]
- 17) State/ UT Governments would complete the projects sanctioned under erstwhile schemes RGGVY and RAPDRP by March 2016.[**Action: JS (Dist.) & States**]
- 18) States/UTs Governments would ensure reduction of AT&C losses as per the agreed trajectory finalised with States and reduce these to 15% by 2019-20. [**Action: JS (Dist.) & States**]
- 19) States / UTs would make a time bound plan for electrification of un-electrified villages so that 'Power for all' goal is achieved in a time bound manner.[**Action: JS (Dist.) & States**]
- 20) States / UTs would simplify the procedures and reduce costs for release of new electricity connections within 15 days from the date of application.[**Action: JS (Dist.) & States**]

G Smart Grid

- 21) State Governments would establish State Level Smart Grid Missions to roll out smart grid activities in the State, as envisaged in the National Smart Grid Mission (NSGM). For this purpose, Central Government will help States in preparing Smart Grid Plans for selected cities in a time bound manner. [**Action: JS (Dist.), JS (Trans) & States**]

H Renewable Energy Development

- 22) States/ UTs resolve to take necessary actions to ensure compliance of Renewable Purchase Obligations (RPO). They will also advise respective SERCs for obligating RPOs in accordance with the National Action Plan for Climate Change (NAPCC) so that the country moves on a sustainable growth path. [**Action: MNRE & States**]
- 23) Participating States /UTs would endeavour to move out of the subsidy model for solar and RE development through addition of innovative mechanisms.[**Action: States/UTs**]
- 24) Participating States /UTs may use IPDS in public buildings for Solar Roof Top so that the solar assets become a source of income for the Discoms.[**Action: MNRE & JS (Dist.)**]
- 25) Participating States / UTs would endeavour to consider dollar based solar tariff bidding model so as to make solar tariff more competitive. States who provide land quickly to the developers will be given priority.[**Action: MNRE & States**]

- 26) State Governments would formulate appropriate solar policy expeditiously, if not already done, including provision for zero wheeling and banking charges to make cost of renewable energy affordable and provision for promotion of grid connected solar roof tops. [**Action: MNRE & States**]
- 27) Participating State Governments / UTs would provide all necessary assistance in the speedy execution of Green Energy Corridor Phase I and assist in timely planning and development of Green Energy Corridor Phase II for smooth transmission of renewable energy. They will ensure construction of evacuation lines within Solar Parks and from other locations. [**Action: MNRE, JS (Trans) & States**]
- 28) State Governments would provide land as per State Policy with all clearances, including for Ultra Mega Solar projects and establish a single window clearance system, for promotion of solar and other renewable projects. [**Action: States/UTs**]
- 29) ***A Committee would be set up with Special Secretary (Shri Devendra Chaudhry), Ministry of Power, for resolution of various issues concerning forecasting and variability of renewable power relating to grid operation.***[**Action: MNRE & JS (Trans)**]
- 30) ***A Committee would be set up under JS MNRE (Shri Tarun Kapoor) to resolve Issues related to Banking time for wind and RE. The AP, Maharastra and MP model for development of RE / Solar development may be considered by the participating States / UTs.***[**Action: MNRE**]
- 31) The state government shall establish metering and communication infrastructure for RE pooling stations and capacity building of SLDCs so that RE scheduling and forecasting can begin immediately. This would make infirm RE much more firm and save a lot of expenditure in backing down of thermal and payment of UI charges. [**Action: MNRE & States**]

I Make in India Initiative

- 32) States and UTs would support the 'Make in India' initiative, inter-alia, by mandating local content/ value addition, skill enhancement commitment through tendering processes for power projects. [**Action: States/UTs**]
- 33) States /UTs resolve to work together to enable transparency in procurement of equipment on the basis of uniform quality and standards for various schemes including steps for reverse E- bidding for ensuring fair competition. [**Action: States/UTs**]
- 34) States / UTs would work together to enable Vendor development and skill development in the entire value chain of the power sector. [**Action: States/UTs**]

J Tariff Policy Amendment

- 35) The State Governments will offer their views within 15 days on the proposed Tariff Policy amendments, which has been placed on the website of the Ministry. [**Action: JS(Trans) & States**]

Concluding remarks by the Hon'ble Minister of State (IC) for Power, Coal and New & Renewable Energy

- Hon'ble Minister stressed upon the need to share the responsibility, and commitment for development of all States of the country specially those lagging behind like the eight North Eastern States, in order to achieve an equitable growth throughout the country.
- He re-iterated the commitment of the Government to provide reliable, quality, affordable 24 X 7 Power for All.
