

Minutes of the Meeting with the Committee on Environment, Rajasthan Legislative Assembly

Agenda: Meeting to discuss Green Growth and Energy Transformation in Rajasthan and also to introduce CUTS International's initiative, 'Vidhayak Samvad'

Venue: Rajasthan Legislative Assembly

Date & Time: Wednesday, June 8th, 2016, 12 noon – 13:30 hours

Participants

1. Mr. Rao Rajendra Singh, Deputy Speaker, Rajasthan Legislative Assembly
2. Mr. Bhagirath Choudhary, Chairman, Committee on Environment, Rajasthan Legislative Assembly
3. Mr. Chhotu Singh, Member, Committee on Environment, Rajasthan Legislative Assembly
4. Mr. Dhiraj Gurjar, Member, Committee on Environment, Rajasthan Legislative Assembly
5. Mr. Navin Pilania, Member, Committee on Environment, Rajasthan Legislative Assembly
6. Mr. Ramchandra, Member, Committee on Environment, Rajasthan Legislative Assembly
7. Mr. Shankar Lal Sharma, Member, Committee on Environment, Rajasthan Legislative Assembly
8. Mr. Udai S Mehta, Director, CUTS International
9. Mr. Abhishek Kumar, Associate Director, CUTS International
10. Mr. Deepak Saxena, Senior Programme Coordinator, CUTS International
11. Mr. Madhu Sudan Sharma, Senior Project Coordinator, CUTS International
12. Ms Surbhi Singhvi, Assistant Policy Analyst, CUTS International
13. Mr. Gaurav Jha, Research Associate, CUTS International

Post the formal introduction of the Committee and Vidhayak Samvad, the discussion focussed on issues pertaining to Green Growth & Energy Transformation. Following are the key points that were discussed and agreed upon in the meeting:

1. **Central Finances:** Rajasthan has a higher potential of RE development than many other states in India and thus, can contribute to a larger extent in meeting the national RE targets. Hence, it should be provided with proportionately higher share of central finances/subsidies under various central schemes for RE development, as compared to other states.
2. **Energy-Water Linkages:** There is a need to analyse the energy-water linkages in Rajasthan. Rajasthan has abundant RE resources, but on the other hand, it scores poorly on availability of quality drinking water. CUTS should look at the possible solution to this problem using RE technology.
3. **Solar Irrigation Pumps:**
 - While 5HP (Horse Power) solar irrigation pumps seems to be commercially viable, there is a need to check the commercial viability of 15-20 HP irrigation pumps, which are mainly used in Rajasthan, given the low groundwater levels in the state.
 - Even after the Centre provides capital subsidy to the farmer, he/she still has to invest around Rs. 2 lakhs for the purchase of a 5HP solar irrigation pump, which is a substantial amount for a rural farmer. Hence, apart from the central subsidy, there is a need to develop financial mechanisms, such as low-interest credit or a fixed term

Minutes of the Meeting with the Committee on Environment, Rajasthan Legislative Assembly

moratorium on interest payment, etc, so as to enable the farmers to be able to purchase solar irrigation pumps.

4. **Supply-Demand Mismatch:**

- Currently, one of the major hurdles in large scale deployment of RE is the lack of adequate demand. While the additions to the installed RE capacity are being made at higher than desired rate, the corresponding increase in demand is much less. Hence, evacuation of additional RE power becomes an issue, which needs to be addressed.
- At present, there are no incentives for an existing electricity consumer to switch to/complement its existing electricity connection with that sourced from RE. Firstly, the costs are higher than electricity produced from conventional sources; and secondly, power produced from RE is intermittent and hence, needs an innovative and affordable storage option. Therefore, to make RE viable for adoption at a household level, there is a need for innovation in the energy storage sector.

5. **Rural Electrification:** Apart from 'village electrification', a new indicator of energy access that has gained greater significance in the recent times is - electrification of habitations. Majority of rural population now resides in habitations, many clusters of which constitute the entire village community. Given this background, there is a need to adopt innovative and feasible ways in which RE can be used to provide electricity to each of these habitations and the community at large.

In light of these facts, there is a need to actively engage with Gram Panchayats (GPs) at the village level. For instance, if a community grid is set up in a village, then the ownership of the grid could be transferred to the GPs. This, in turn, means that if the revenue from the electricity grid is passed on to the GPs, then the operation of the grid can be made sustainable in the long run. However, for this to be successful there is a need to incentivise GPs to set up the grid as they do not have access to ready funds for the same. One such incentive is for the state government to provide the initial capital and recover the same from the GP after a 5-year moratorium, after which their income streams from selling electricity will enable them to repay the amount.

6. **Others:**

- There is a need to make the economic as well as administrative environment conducive to ensure that manufacturing of solar products happen in India. This will reduce our heavy import dependence on countries like China and Malaysia and will also increase the number of green jobs within India.
- The net metering policy for solar rooftops should be effectively implemented for domestic connections as is being done in the case of industrial connections.
- For biomass to become a viable alternate fuel, there is a need to increase the per hectare tonnage of Jatropha in Rajasthan.
- There is a need to share best practices across states and replicate the same after adequately localising the strategy.
- CUTS should explore the possibility of using solar and other RE sources for cooking purposes in rural households.

Minutes of the Meeting with the Committee on Environment, Rajasthan Legislative Assembly

- While Rajasthan has an added advantage of having abundant uninhabited landmass for RE project development, along with high quantity of RE resources, there is a need to strengthen the transmission and distribution network in order to transmit and distribute the RE produced from the large scale RE plants to the end consumer.

7. Action Points:

- Conduct research about commercially viable and technically feasible ways of adoption of RE plants (both on-grid and off-grid) in rural as well as urban areas in Rajasthan.
- Study the subsidy pattern as well as other financial mechanisms with an aim to make the RE appliances affordable for the rural population as well as minimise the burden on the government.
- Study of community-based models for providing electricity produced from RE sources in rural areas of Rajasthan.
- Prepare a working paper in consultation with the Committee on Environment, Rajasthan Legislative Assembly covering specific issues related to energy and environment including solar irrigation pump sets, rural electrification, clean fuel for cooking etc., to be finalised after agreement with the members of the committee.
- Suggest policy/practice interventions for the energy sector in Rajasthan, which CUTS along with the environment committee, could take it up with the Energy Department, Government of Rajasthan.
