

Central Sector

❖ The **Ministry of Power (MoP)** has **announced an extension for waiver on inter-state transmission charges for renewable energy (RE) generation projects**. Now, the waiver on solar and wind generation projects will be available till June 30, 2025 as compared to June 30, 2023 earlier. The waiver will also be applicable for hydro pumped storage plants and battery energy storage systems if 70 per cent of the electricity produced from these units is generated from solar and wind sources. The order allows waiver of transmission charges for RE trade in the green day ahead market (as part of the integrated day-ahead market) in future.

❖ The **Ministry of New and Renewable Energy (MNRE)** is **contemplating to impose inclusion of green hydrogen in energy baskets for fertiliser producers and oil refiners**. The ministry has circulated a draft note for the cabinet for consultation about the Green Hydrogen Consumption Obligation for fertiliser producers and petroleum refineries. The draft mandates to scale up the use of green hydrogen in the period between 2023-24 to 2029-30. A draft National Hydrogen Energy Mission document has also been circulated among stakeholder ministries and departments by the MNRE on May 31, 2021.

❖ The **central government is exploring hiving off constructed central sector hydro power plants into special purpose vehicle (SPV) companies under their existing developers to maximise their valuations during stake sale**. As per the proposed national assets monetisation pipeline, Niti Aayog has suggested segregating constructed projects and transferring them to an SPV, under the central public sector undertaking (CPSU) that owns the projects. The SPVs consisting constructed projects might be subsidiaries of their respective CPSUs. This would ensure that the aggregate value of the parent and subsidiary company is greater than the present developer of the project.

❖ In the **second round of auction of coal block for commercial mining, Vedanta has emerged as a successful bidder for Kuraloi (A) north coal mine in Odisha**. In the first round of auction, out of the 38 coal mines, 19 were successfully auctioned. Four coal mines which had fetched single bid in that round were put up for re-auction in a second round by Ministry of Coal. Kuraloi (A) North with a peak rated capacity (PRC) of 8 million tonnes per annum (mtpa) is the largest mine in terms of PRC of all the mines successfully auctioned in the first tranche. The mine is expected to generate an annual revenue of Rs 7.63 billion.

State Sector

❖ The **Gujarat government has notified the Gujarat Electric Vehicle Policy, 2021**. The policy has set a target of 200,000 electric vehicles in the state in the next four years. To encourage people to purchase e-vehicles, the state government will provide a subsidy of up to Rs 20,000 on purchase of an electric two-wheeler, Rs 50,000 on three-wheeler and Rs 150,000 on purchase of a four-wheeler, for four years.

❖ The **Uttar Pradesh Electricity Regulatory Commission (UPERC)** has **asked Uttar Pradesh Power Corporation Limited (UPPCL) to deposit Rs 72.44 billion in a regulatory fund by January 2022 to meet the renewable purchase obligations (RPO) for 2021-22 and clear the past dues**. This would give payment assurance to solar, wind and hydel power producers supplying electricity to Uttar Pradesh. The amount to be deposited by UPPCL includes Rs 14.59 billion for not meeting its RPO targets till 2020-21, while the balance amount is towards meeting 2021-22 RPO obligations. This is for the first time UPPCL has been asked to pay the RPO funds in advance.

Private Sector

❖ **Reliance Industries Limited (RIL) plans to invest Rs 750 billion in setting up four factories to make solar photovoltaic cells, green hydrogen, batteries and fuel cells over the next three years**. These four factories will involve an investment of Rs 600 billion. The additional Rs 150 billion will be invested in the value chain, partnerships and future technologies, including upstream and downstream industries. The company will set up 100 GW of solar power generating capacity. The plan to build four factories is to manufacture and integrate all critical components of new energy ecosystem - solar photovoltaic module factory, energy storage battery factory, electrolyser factory, and fuel cell factory.

Note: Rs 1 crore = Rs 0.01 billion; Rs 1 lakh = Rs 0.1 million; Rs 1,000 million = Rs 1 billion

❖ **Jakson Group**, an Indian energy and engineering company, has **commissioned** the **50 MWp Sheikh Mohamed Bin Zayed Solar Power Plant Project** at Blitta Village in **Togo**. The solar power project has been developed by AMEA Power, Dubai and designed, installed, commissioned, and executed by Jakson Group. The plant will supply power to nearly 600,000 households as well as 700 small and medium enterprises (SMEs) in the region. The plant is expected to supply 90,255 GWh of electricity to the grid annually. Jakson Group will be taking care of the operations and maintenance of the solar power plant for two years.

❖ **ACME Solar** and **Brookfield Renewable** have closed a deal to **jointly develop a 300 MWac** (450 MWdc) **solar project** at Badisid in **Jodhpur** district of **Rajasthan**. ACME had quoted the lowest tariff of Rs 2.74 per kWh in the auction conducted by Maharashtra State Electricity Distribution Company Limited (MSEDCL). The project includes a 25-year power purchase agreement with MSEDCL. It will be connected through the Bhadla II substation.

Financials

❖ **NTPC Limited** has recorded a **consolidated total income** of **Rs 1,155.47 billion** for the **year ended March 2021**, an **increase of 2.82 per cent** from **Rs 1,123.73 billion** recorded **last year**. Its net profit increased by 25.77 per cent to Rs 149.69 billion from Rs 119.02 billion during the same period. The company recorded its highest ever net profit in 2020-21.

❖ **PTC India Limited** has recorded a **consolidated total income** of **Rs 183.74 billion** for the **year ended March 2021**, an **increase of 1.4 per cent** from **Rs 181.24 billion** recorded **last year**. Its net profit increased by 12.7 per cent to Rs 4.58 billion from Rs 4.06 billion during the same period.

Debt and Equity

❖ **Adani Power Limited** has **emerged** as the **successful bidder** for the **acquisition** of **Essar Power's 1,200 MW Mahan thermal power project**, located in **Singrauli** district of **Madhya Pradesh**. The bid by Adani Power has been approved by a committee of creditors. The transaction will achieve closure on obtaining approval from National Company Law Tribunal. The deal size of the project is estimated at Rs 28- 30 billion.

❖ **Sterlite Power** has **achieved financial closure** of the **project** set up by **Udupi-Kasargode Transmission Project Limited (UKTL)** and has **secured the entire debt funding** of **Rs 5.8 billion** from **REC Limited**. The project is an interstate transmission system (ISTS) project across the states of Karnataka and Kerala. It is made up of two critical elements one of which is a 1,000 MVA 400/220 kV gas insulated switchgear (GIS) substation to be built at Kasargode in Kerala. The project also involves the construction of a 400kV (Quad) D/c transmission line, extending over about 240 ckm, from Udupi in Karnataka to Kasargode in Kerala. The project scope also includes supply and installation of two 400kV line bays and bus bar extension at Udupi switchyard.

❖ **Actis**, the global infrastructure investment firm, has **acquired 500 MW Indian assets** of Finland based **solar power producer Fortum**. Fortum has signed an agreement to divest the 250-MW Pavagada II and the 250-MW Rajasthan solar power plants in India. The total consideration from the divestment on a debt and cash-free basis, including the effect of deconsolidating of the net debt, is expected to be around EUR 280 million (Rs 24.80 billion). The divestment will be completed and the capital gain recorded in three tranches – during the second half of 2021 and the first half of 2022.

❖ **PTC India Limited's board** has approved a **letter of intent (LoI)** for **acquisition** of the **energy consulting business** of **IL&FS Energy Development Company (EDC)** for an **undisclosed value** on a slump sale basis. The LoI was issued after following due process prescribed under the resolution framework approved by National Company Law Tribunal for IL&FS Group entities.

❖ **ReNew Power Ventures Private Limited** has **evinced interest** in **buying** US investment bank **Morgan Stanley' majority stake** in **Continuum Green Energy (India) Private Limited**. Continuum currently has 807.4 MW of operational wind and solar assets. In addition, it has 1.07 GW capacity under various stages of development. ReNew Power's interest in Continuum follows its proposed merger with Nasdaq-listed special purpose acquisition company (SPAC) RMG Acquisition Corporation II (RMG II) at an enterprise value of around USD8 billion announced in February 2021.