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# Renewable power for C&I consumers

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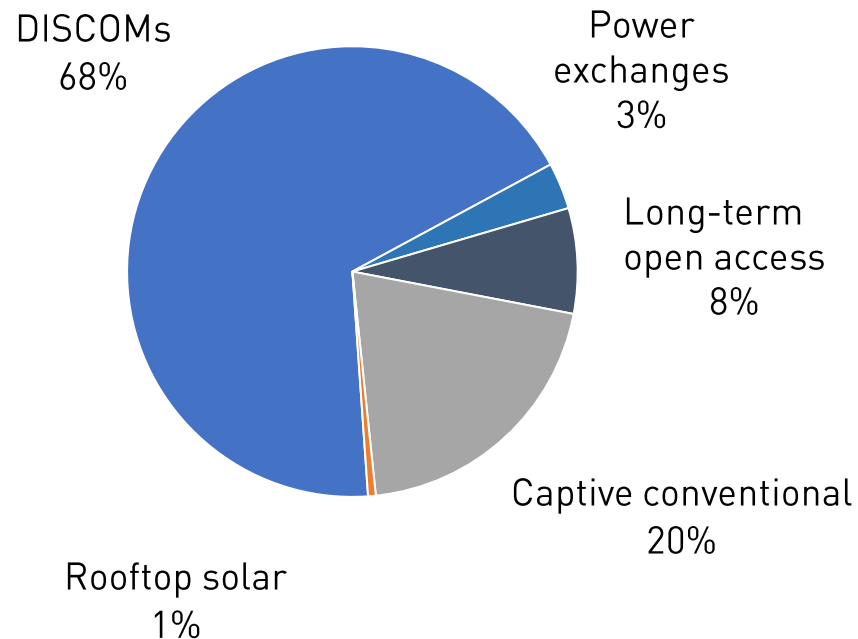
CONSULTING



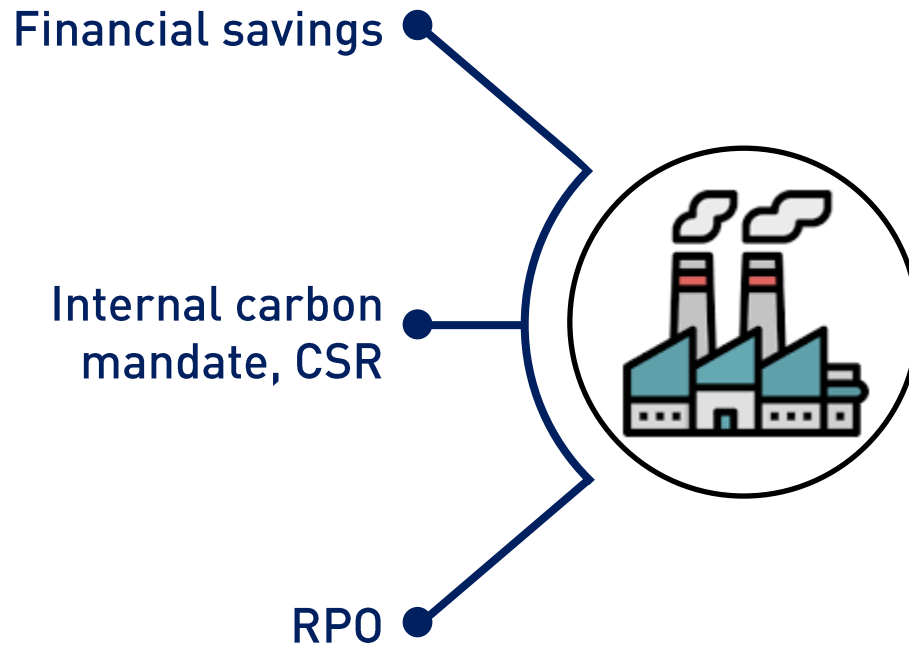
MARKET INTELLIGENCE

# Indian power sector is highly regulated and regimented

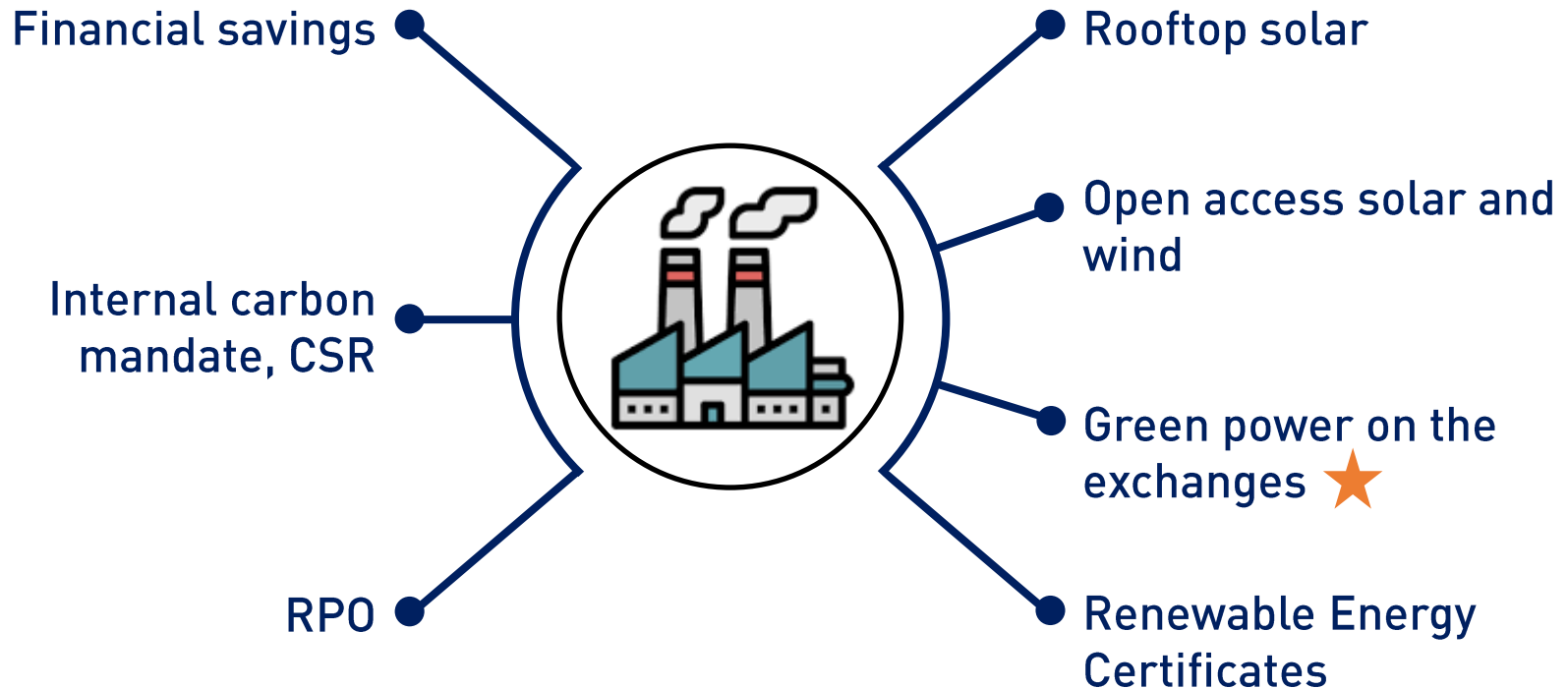
## Power sources for C&I consumers (FY 2018)



# Large consumers are keen to buy more renewable power

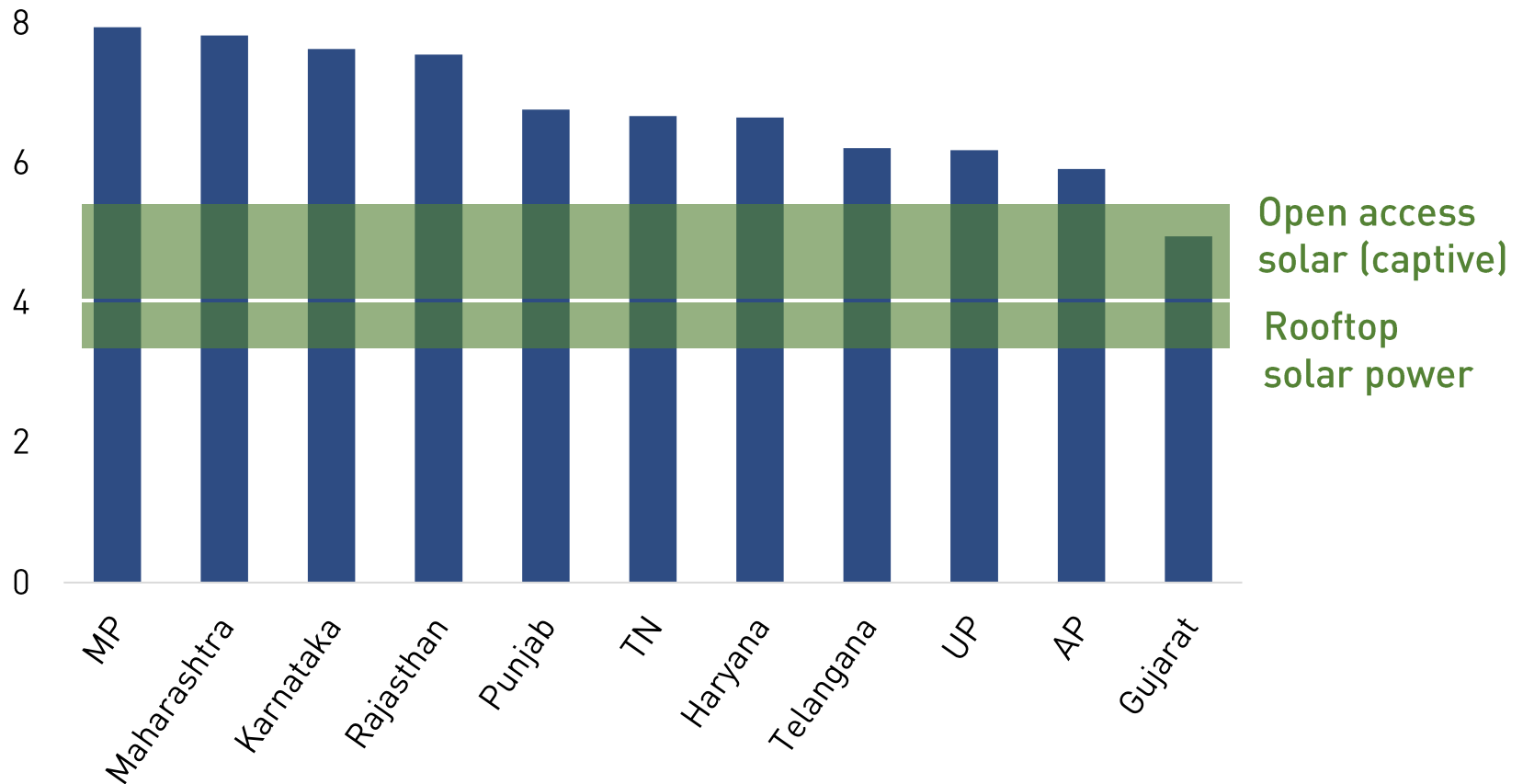


# Large consumers are keen to buy more renewable power

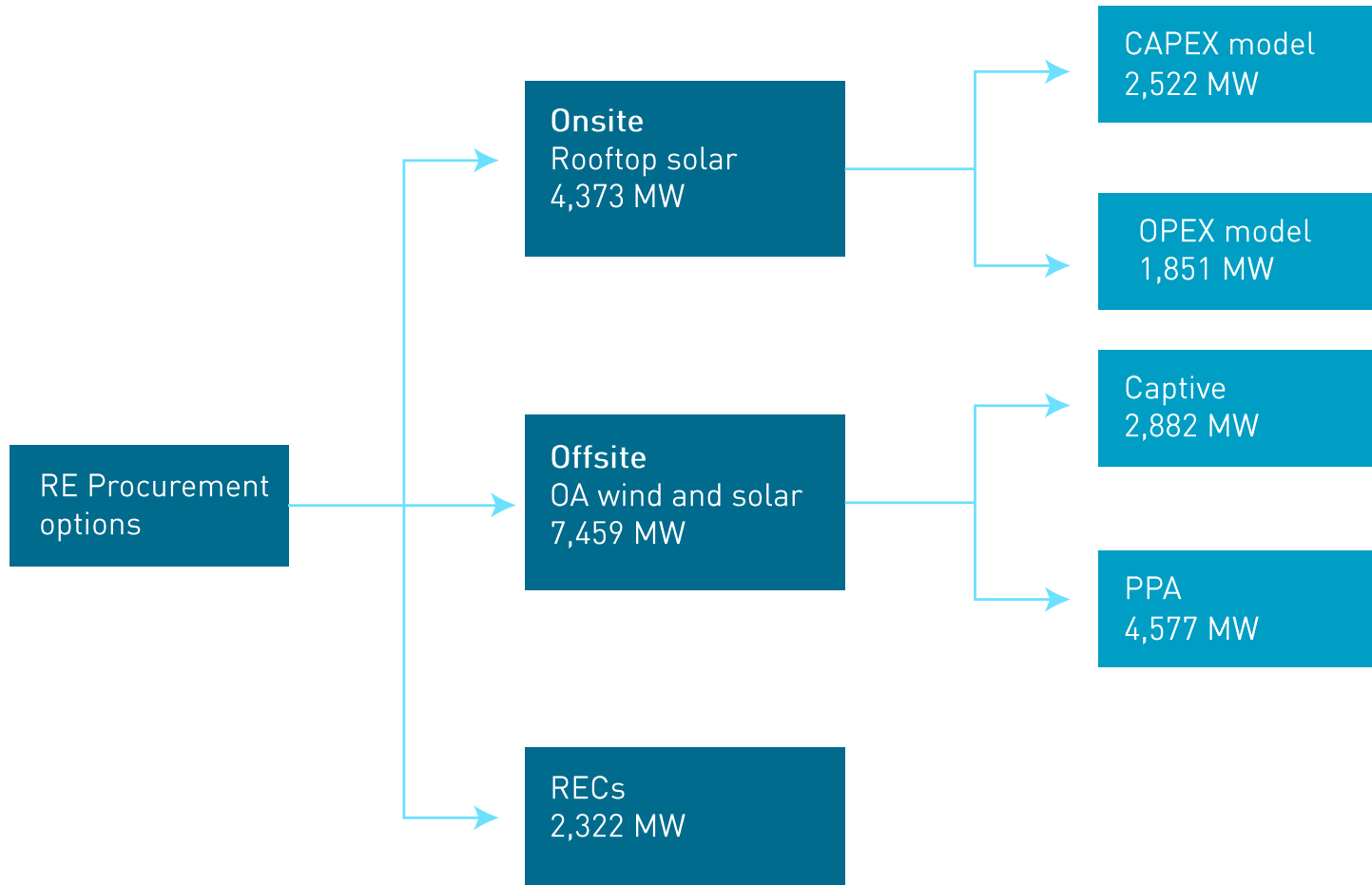


# Renewable power is significantly cheaper than grid power

FY 2020 industrial grid tariffs and RE cost, INR/ kWh



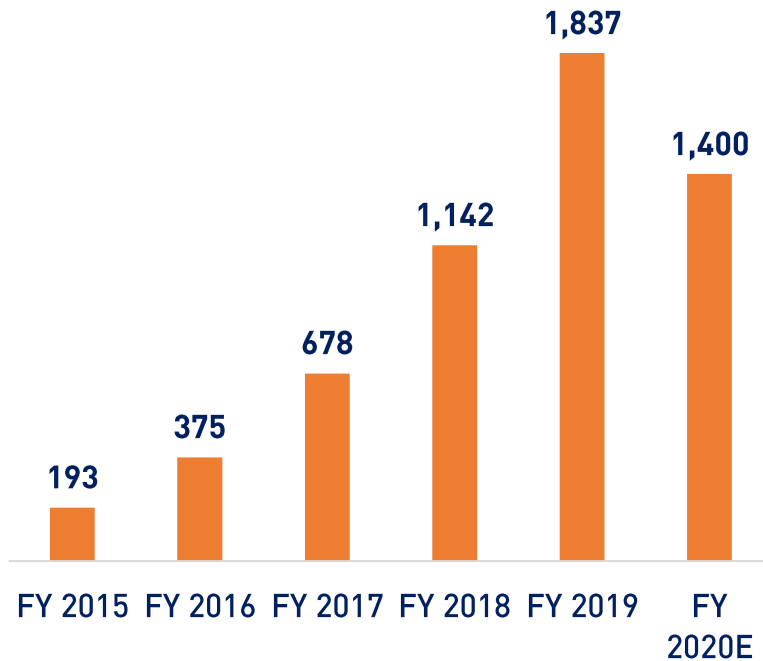
# Rooftop solar and OA are the two main procurement options



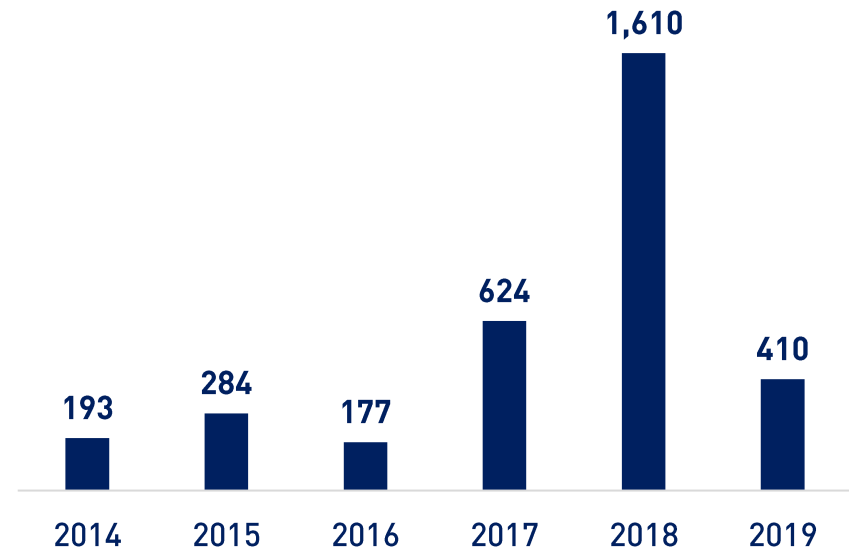


# Both markets are mature and witnessing healthy growth rate

## Rooftop solar, MW

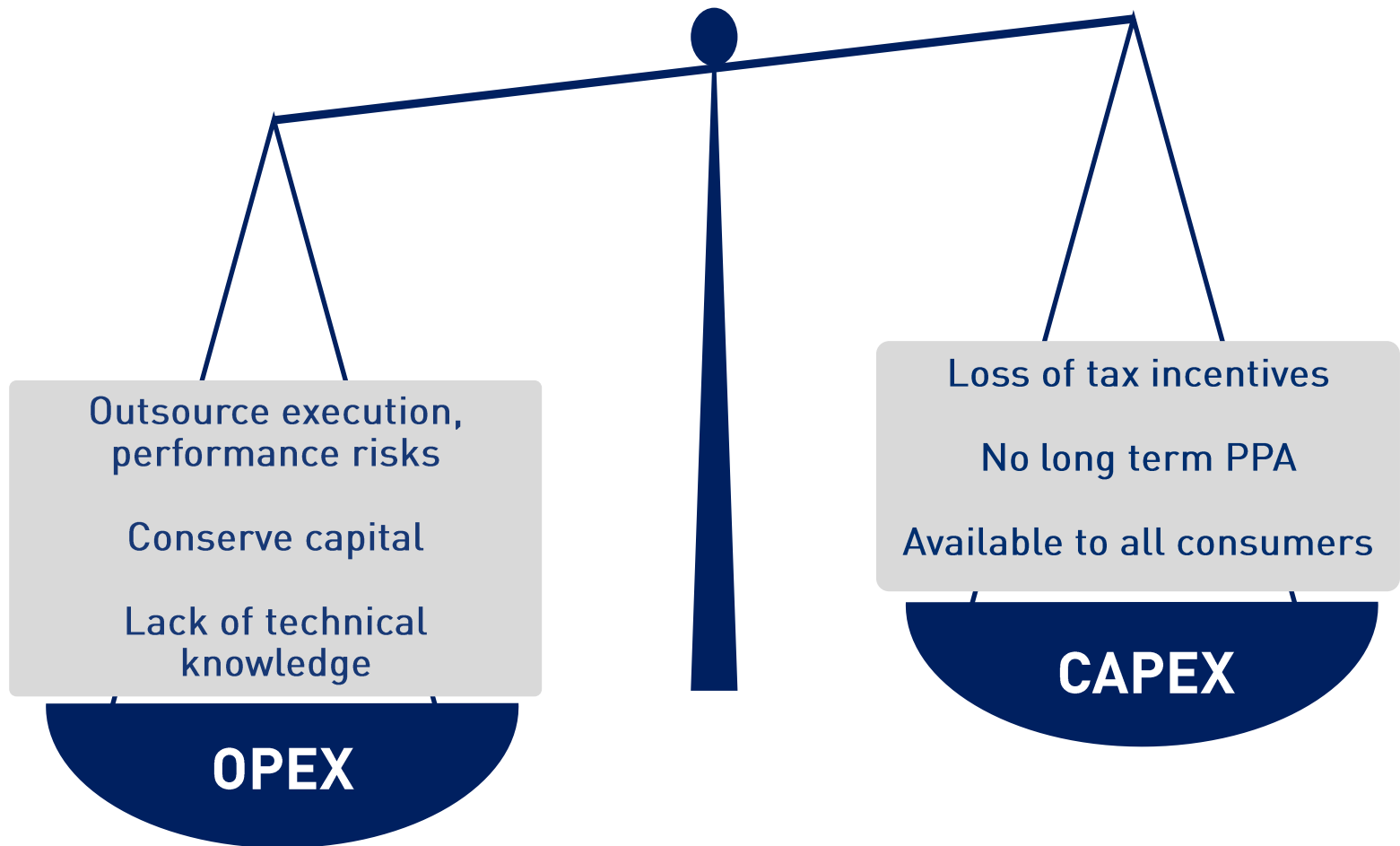


## OA solar, MW





## OPEX model is the preferred choice of most consumers



# There is huge investment interest in C&I renewables



# The government offers a mix of carrots and sticks

▶ Accelerated depreciation of 40% (+20% in year 1)

▶ Concessional GST rate of 7.9%

▶ RPO target for select large consumers

## Rooftop solar

▶ Concessional debt financing

▶ Free net metering

▶ Mandatory installation (some states)

▶ Delays in net metering

▶ Withdrawal of net metering

▶ Banking provision limited

## Open access

▶ Exemption from transmission charges, levies and duties (vary from state to state)

▶ Denial of approvals

▶ Frequent changes in charges



# Storage deployment is still a few years away

## Use cases



- Power back up
- Reduction in diesel use
- Optimal use of on-site solar system
- Peak shaving
- Power factor correction
- Balancing and ancillary services

## Challenges

- High cost
- Lack of supplier ecosystem
- Lack of debt financing, bankability
- Regulatory design
- Safety

# Conclusion

# Renewable power is the preferred choice for most consumers

- 1 Rapid advancements in technology; falling cost
- 2 Power sector liberalization
- 3 Huge investment interest and a thriving eco-system





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# Thank you!

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