

Power Sector in Andhra Pradesh and Telangana during November, 2015

POLICY

AP set to improve power supply with World Bank loan

World Bank approved Rs. 3200-crore financial assistance to Andhra Pradesh (AP) under Andhra Pradesh Power Sector Infrastructure Development to set up dedicated high tension power network to provide 24X7 power supply to industries. Besides Rs. 750 crore loan for laying underground cabling system in Visakhapatnam is also reported to be approved.

The Centre also extended financial support of around Rs. 1600 crore under the Deendayal Upadhyaya Gram Jyoti Yojana and other schemes for infrastructure development both rural and urban areas.

APDISCOMs are in the process of clearing over 2000 low and high tension applications with projected load of about 500 MW.

CEA to Solve TS, AP Power-Sharing Row

The Central Electricity Authority (CEA) was expected to give its final verdict on the power-sharing row between Andhra Pradesh and Telangana states on November 23. To resolve the issues related to power sector as a result of the Andhra Pradesh Reorganisation Act, 2014 a meeting would be held with representatives of the two states at Sewa Bhavan, Central Electricity Authority, New Delhi.

GENERATION

Power purchase payment arrears

In the case of pending arrears payment to APGENCO the Telangana state agreed to pay Rs. 150 crore a month. While according to AP government pending arrears stood at Rs. 1300 crore Telangana government put the figure at Rs. 1,000 crore. The current demands however would be paid regularly from November onwards.

TSGENCO to add 2,500 MW by March

2,500 MW power generation capacity will be added to Telangana grid by March 2016 to bridge the demand-supply gap. It includes 600 MW Bhupalapally project, two units of 2x600 (1200 MW) of Singareni thermal power plant and over 700 MW of solar power generation capacity.

In 2016-2017, Telangana would commission 800 MW Kothagudem thermal power unit and 1,080 MW Manuguru thermal project and 1,500 MW of solar power capacity.

Telangana government is planning to add about 20,000 MW of additional capacity by 2018-19. This plan includes NTPC 4,000 MW power plant at Ramagundam and 4,000 MW TSGENCO thermal power project at Damarcherla.

Suzlon bags Hero Future Energies order

Suzlon has won an order from Hero Future Energies, part of the Hero Group, for 31.50 MW of wind power. Suzlon will wind turbine generators (WTGs) with 120m hub height and rated capacity of 2.1 MW each at Zaheerabad site in Medak district, Telangana, on supply and installation basis. The project will be commissioned by June 2016. Hero Future Energies plans to set up wind power plants with a total capacity of 69 MW at Zaheerabad.

GMR Energy's AP gas project starts operations

GMR Rajahmundry Energy Ltd (GREL) a subsidiary of GMR Energy Ltd has commenced commercial operation of its 2X384 MW (768-MW) gas-based combined cycle power plant at Rajahmundry in AP.

Gas supply under e-bid RLNG "Scheme for Utilisation of stranded gas-based power plants" launched by the Centre in March 2015 facilitated the commencement of commercial operation of this plan. This facility will continue up to March 2016

With this gas the 768-MW power plant can now operate at 50 per cent PLF, thereby generating 384 MW power.

The power will be supplied to APDISCOMs. As per the Centre's scheme, the Government subsidises the power distribution companies to the extent of Rs. 1.44 per unit from the Power Sector Development Fund for the power generated from the plant.

The gas-based plant was allocated gas last month along with GMR Vemagiri Power Generation Ltd (GVPGL).

Work on Vijayawada power plant to commence in December

Chief Minister of AP is likely to lay foundation for the stage – V (800 MW) of Narla Tatarao Thermal Power Station in early December. NTPS already has 237 acres in its possession and is in the process of acquiring 70 acres near the plant. The new unit will be based on imported coal. NTPS is going to procure its fuel (coal) requirement, approximately about 8,100 tonnes per day, through MSTC from Indonesia. Priority in power supply from this plant will be given to the AP capital region. Public hearing on this plant was reported to have been conducted in January 2014.

Chinese company Trina Solar to set up plant at Vizag

Trina Solar, Chinese company, which manufactures crystalline silicon photovoltaic ingots, wafers, modules and system integration, and the GoAP signed an MoU to set up a Rs. 2,800-crore solar cell plant at Atchutapuram in Visakhapatnam district. This project will create 3,500 jobs.

SunEdison wins NTPC bid with all-time-low unit tariff of Rs. 4.63

In the reverse e-auction conducted by NTPC to set up 500 MW solar power plant in solar park in Kurnool district SunEdison won the bid by quoting an all-time low of Rs. 4.63 kWhr. There would be no escalation in tariff for the period of power purchase agreement of 25 years.

Though another bidder, Indiabulls, also quoted Rs. 4.63, but SunEdison got through because its bid was submitted earlier. Out of 30 players who have participated in the online bidding 10 bidders quoted price below Rs. 5 per unit. Since the solar plant will come up in a fully-developed park with transmission lines, the risks are mitigated further.

Visakhapatnam Port Trust to generate 10 MW solar power

The Visakhapatnam Port Trust has prepared plans to set up 10-MW solar power plant. The project is expected to be commissioned by March 2016. The port trust authority issued a letter of intent to Jakson Engineer Ltd of Noida. The company would be establishing solar panels to generate 2 MW by January 15 and the rest of 8 MW by March 20, 2016. The company was also entrusted with the AMC for seven years. The total cost of the project is Rs. 60 crore. The solar panels are being set up over 50 acres of port land.

TJAC seeks public hearing on PPA

The Telangana Joint Action Committee (TJAC) submitted a memorandum to TSERC requesting a public hearing on the PPA between TSDISCOMs and Chhattisgarh Power

Distribution Company to procure 1,000 MW power. An apprehension was expressed that PPA in its present form would entail huge burden on consumers as well as Telangana state government.

Later the TSERC returned the PPA to TSDISCOMs on the grounds that replies given by DISCOMs to objections are not adequate and the PPA cannot be approved in the present form.

FUEL

ONGC to move on to next cluster in KG block

ONGC plans to develop cluster two of its 98/2 block in the KG basin and begin production of gas and oil by 2019. At the same time ONGC asked the GoI to make natural gas price attractive. It has submitted a field development plan to Directorate General of Hydrocarbons (DGH). For cluster – two peak production would be around 75,000 barrels a day of crude oil and 17 million cubic meters of gas per day. The ONGC would pump out gas first and then oil.

OTHERS

Restrictions on TS electricity employees

TS electricity utility issued a circular warning the employees against talking to the media. It said that disciplinary action would be taken if any one talks to the press. Employees are also reported to have been cautioned against participating in the public hearings held by TSERC.

Record distribution of LED bulbs in AP

AP has become the first State to cross one crore LED bulbs distribution under the Domestic Efficient Lighting Programme (DELP) in under a year. Under the DELP programme in the entire country a total of 3.15 crore LED bulbs were distributed until now. The DELP programme is being implemented in Krishna, Vizianagaram, Vishakhapatnam, East Godavari, Prakasam and Chittoor districts and on an average 1.5 lakh bulbs are being distributed daily.