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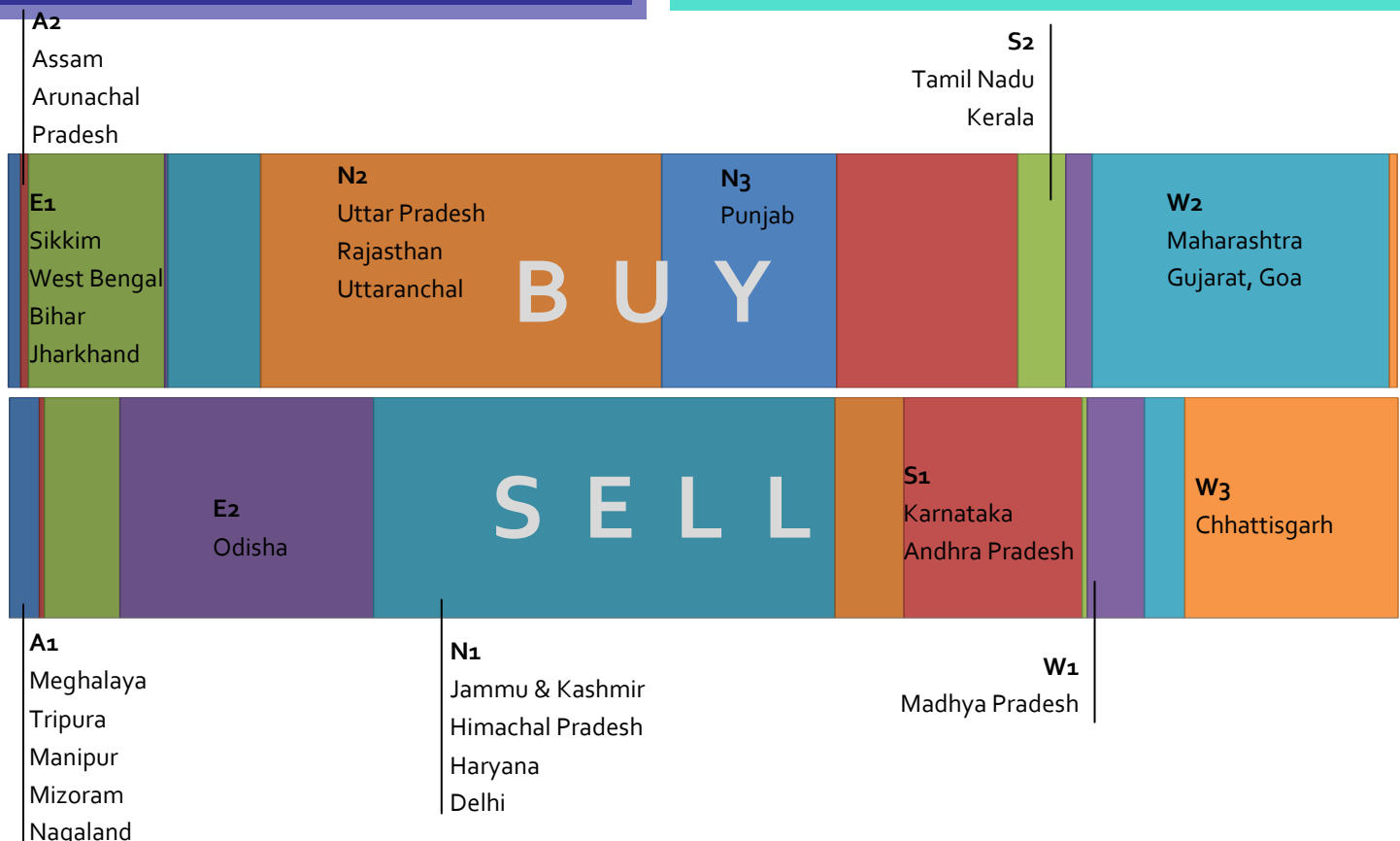
% Share of MPPL on Exchanges in May 2015

10.06%

As per CERC latest monthly report[#] the position of MPPL among all the Trading Licensees is

2nd

Regional Share of Power Traded at IEX in May 2015



MPPL Trading Summary

POWER

Electricity transaction in Million Units (MUs) in May '15 is

| | |
|---------------------------|-------------------|
| Banking (return included) | 312.16 MUs |
| Sale of Power | 83.44 MUs |
| Exchange | 290.73 MUs |
| Total | 686.33 MUs |

19250.077 MUs

Power traded by MPPL from April'09 to May'15

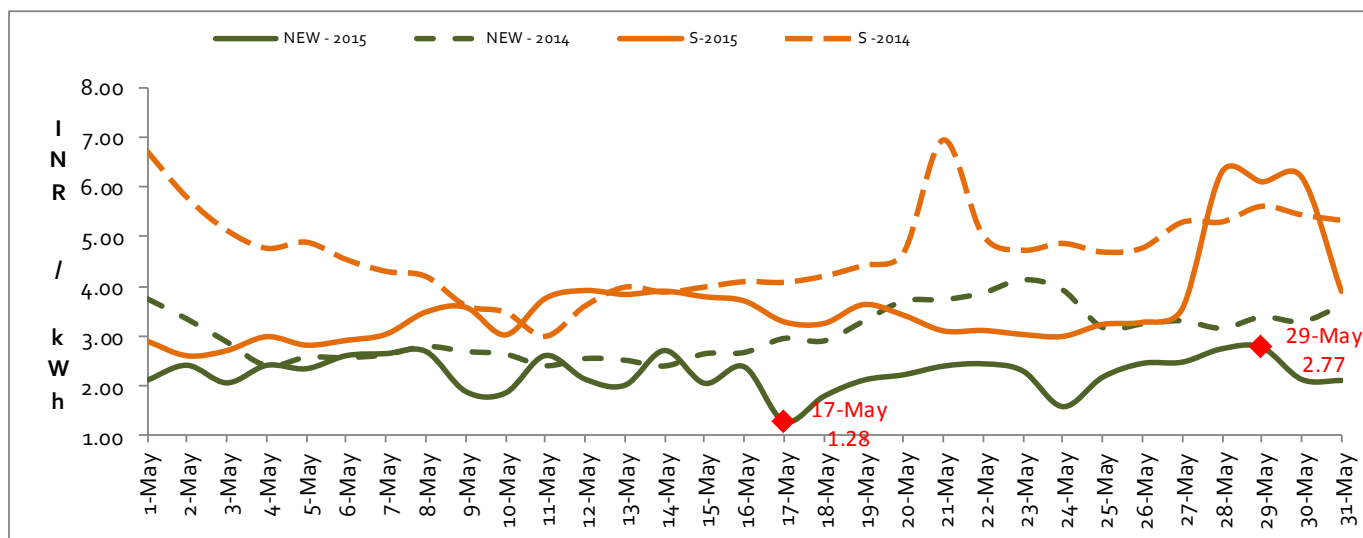
RENEWABLE POWER

Total REC till May'15 = 2, 48,721
RECs in May'15 = 8,379

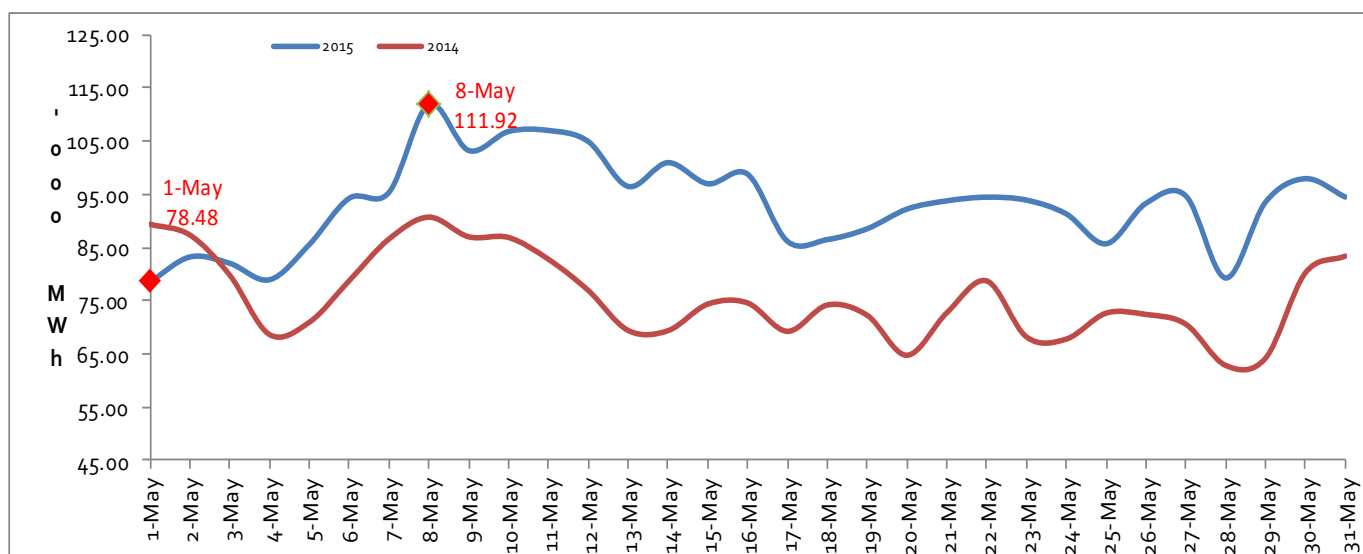
461.66 MUs

RE Power traded by MPPL in 2014-2015

Power Prices: Year-on-year comparison at IEX for May 2015



Volume Traded: Year-on-year comparison at IEX for May 2015



Anticipated power supply position - May 2015

| Area | Peak | | Energy | |
|------------------------|-----------------|-------------------|------------------|-------------------|
| | Demand (MW) | Availability (MW) | Requirement (MU) | Availability (MU) |
| Northern Region | 46,423 | 44,942 | 29,665 | 28,756 |
| Eastern Region | 18,171 | 18,561 | 11,055 | 11,126 |
| Western Region | 44,744 | 46,644 | 30,772 | 31,779 |
| Southern Region | 39,647 | 33,298 | 26,365 | 24,246 |
| North-Eastern Region | 2,540 | 2,256 | 1,306 | 1,100 |
| Total All India | 1,51,525 | 1,45,701 | 99,163 | 97,007 |

Updates – May 2015

[Hindustan Power projects commissions first unit of 600 MW plant](#)

[States keep off cheap power as users bleed](#)

[Delhi Electricity Regulatory Commission may hike power tariff by 20 per cent over delayed power purchase charges](#)

[Distribution companies launch power-saving measures to meet electricity demand](#)

[Rays Power commissions 31.5 MW solar photovoltaic project in Punjab](#)

[NTPC yet to get promised land from West Bengal government](#)

[India, Egypt to strengthen cooperation in energy sector](#)

[IMD, Power Grid sign MoU for optimum use of weather information](#)

[Power gets costlier in Punjab; FCA surcharge levied](#)

Petition – Gujarat Electricity Regulatory Commission

| In the matter of: | Petitioner | Respondents |
|---|--------------------------------|---|
| Petition for adjudication of the dispute between the petitioner and respondent and directing the respondents to | Kaizen Switchgear Products | Gujarat Energy Development Agency |
| (i) to allow the petitioner to connect the Solar PV Power Project with the distribution network of Respondent No. 2 (MGVCL), | Electrical Control and Systems | Madhya Gujarat Vij Company Limited |
| (ii) to direct GEDA and other respondents to grant commissioning of the project and accreditate and register the petitioner Solar Power Project under REC Scheme. | Baroda Mould & Dies | Gujarat Energy Transmission Corp. Limited The Chief Electrical Inspector |

Petitioner's prayer was:

- To declare that the Solar PV Power Plants set up under REC scheme by the Petitioners were ready for commissioning and to start commercial operation from 31st March 2014. The denial of the respondents for the connectivity of the Solar Power project with the Respondent No. 3 distribution network and not allowing the commissioning and commercial operation of the solar Power Project is illegal and in violation of the provisions of the Electricity Act, 2003, National Tariff Policy, National Electricity Policy, CERC REC Regulations and GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and GERC Open Access Regulations;
- To declare that the action of Respondent No. 1 GEDA, not to grant accreditation and register the Solar Power Project under REC Scheme on the ground that the State Government has not yet come out with the Policy and denied connectivity to the project and signing of transmission and wheeling agreement is illegal and in violation of the provisions of the Electricity Act, 2003. The Commission may direct the Respondent No.1 GEDA for accreditation and to register the Solar Power Projects under REC Scheme and to allow the commissioning of the projects, as the plant is ready to start commercial operation from 31.03.2014;

Final Order – Petitions were disposed of on 21st may 2015.

Download final copy from [here](#).

Chhattisgarh

Introduction

Chhattisgarh is a new State which was carved out of Madhya Pradesh on the 1st November, 2000. It is one of the very few states in the country, which has a robust power sector since its very inception. The power position of the State is comfortable.

The Chhattisgarh State Electricity Board (CSEB), which was constituted almost immediately after the State came into being, in a position more or less to meet the electricity requirement of the new State and more importantly, is in good financial health. In Chhattisgarh, NTPC has an installed thermal capacity of 2100 MW while CSEB's units have a thermal capacity of 1240 MW and hydel capacity of 130 MW. Apart from NTPC and CSEB, there are a number of private generation units of large and small capacity. The state Govt. has pursued a liberal policy with regard to captive generation which has resulted in a number of private players coming up.

As per a study made by the Power Finance Corporation Ltd. New Delhi, the state has potential of 61000 MW of additional thermal power in terms of availability of coal for more than 100 years and more than 2500 MW hydel capacity. To tap this vast potential, substantial addition to the existing generation capacity is already under way. CSEB is setting up thermal plant of two units each of 250 MW capacity at Korba and plans to have another 2 units, each of 250-300 MW at Korba West as Extension Stage-III. NTPC is setting up a thermal power project at Seepat, with 3x660 MW capacities in Phase I and 2x500 MW in Phase II. Bhilai Steel Plant, which has a captive power plant of 110 MW, is setting up 270 MW power plant for their own use. Balco, Korba already has captive plant of 270 MW and they are already on way to commission another plant of 540 MW capacity. M/s Jindal Steel and Power Ltd., has a power plant of 150 MW and are adding 79 MW capacities to this plant. They have entered into an MOU with the Chhattisgarh Govt. for IPP of 1000 MW. M/s. Jaiswal Neco Ltd. and M/s. Monnet Power Ltd., Raipur has also planned for setting up Captive power plants of 200 MW and 55 MW respectively. Thus an additional capacity of 6125 MW of thermal power is planned in the State of which 2980 MW shall be in the Central Sector. Most of these plants are in various stages of implementation. Apart from these major power producers, there are a number of small captive power units which also are adding their capacity.

Key Indicators:

| | |
|------------------------------|----------|
| Requirement | 2,038 MU |
| Availability | 2,010 MU |
| Surplus(+) / Deficit(-) | -28 MU |
| Population (in Millions) | 25.54 |
| Villages Electrified (%) | 97.40 |
| Surplus+ / Deficit- (%) | -1.4 |
| Per Capita Consumption (Kwh) | 736 |

(CEA April-2015, CII, Economic Survey 2014-15 & 2011 Census data)

Reforms and Restructuring

Chhattisgarh State Electricity Board has been reorganized into following five companies in accordance with the provisions contained in the Section 131-134 of Electricity Act 2003 by the Govt. of Chhattisgarh vide Notification dated 19.12.2008

- The Chhattisgarh State Power Holding Company Limited
- The Chhattisgarh State Power Generation Company Limited
- The Chhattisgarh State Power Transmission Company Limited
- The Chhattisgarh State Power Distribution Company Limited
- The Chhattisgarh State Power Trading Company Limited

However, the reform process has been slow in the state for a variety of reason. Although a number of steps have been taken by the CSEB, the main provider of electricity in the state, for internal reforms, primarily aimed at improving efficiency, structural reforms have been delayed due to various factors of which non-finalization of division of assets and liabilities of the erstwhile Madhya Pradesh Electricity Board is the most important. The State government has recently taken steps to carry forward the reform process in terms of the provisions of Electricity Act, 2003. The first significant step is the setting up of the ERC.

Renewable energy and sustainability

Chhattisgarh has 44% forest coverage, with varied kinds of flora and fauna. Due to high availability of rich mineral resources, primarily coal, required for thermal generation plants as well as other fuel-intensive industries, the state is gradually being depleted of its green cover, thereby leading to environmental concerns. Korba, an industrial town in Chhattisgarh has been declared critically polluted by the Ministry of Environment. The ministry has banned setting up new factories till the Central Pollution Control Board and state boards will prepare a plan to improve the environment. This will create hurdles in establishing numerous thermal power plants and pose serious challenges to the nation's energy security. Therefore, the state government has to strike a right balance between growth and sustainability.

The state government has framed the Chhattisgarh Solar Energy Policy, 2012 to encourage solar power generation and add 500 to 1000 MW of solar projects by March 2017. The policy shall support grid-connected solar generation, solar parks and roof-top solar projects. As a part of the State Industrial Policy 2009-2014, benefits such as interest subsidy, fixed capital investment subsidy, exemption from electricity duty, etc are extended till 2017 for solar power generating plants.

Also electricity duty on auxiliary and captive consumption shall be exempted. Also additional benefits such as VAT exemption on equipment, no cross-subsidy charges for third party sales within the state, fast-track grid connectivity technical feasibility T&D utility for evacuation of power, etc. Similarly, the government has framed small hydel projects policy 2012 to promote construction of hydel projects with capacity less than 25 MW. The policy offers benefits such as lower royalty, extension of benefits under the industrial policy, etc. The Power Generation from Wind Policy 2002 was framed to promote wind energy generation and private participation. The policy extends incentives under the industrial policy and government land shall be provided for 30 years or period of the project whichever is earlier.

Regulatory Developments (Fixed RPO)

The Chhattisgarh State Electricity Regulatory Commission (CSERC) has notified a regulation in 2013 for promoting renewable energy development for the period 2013-2016.

| Year | Solar | Bio Mass/RE based co-gen. | Others (Hydel, Wind) | Total |
|---------|-------|---------------------------|----------------------|-------|
| 2014-15 | 0.75% | 3.75% | 2.25% | 6.75% |
| 2015-16 | 1.00% | 3.75% | 2.50% | 7.25% |

The key points of this regulation are mentioned below:

- Every distribution licensee, captive users and open access consumer has to meet the renewable purchase obligation as stated by the commission.
- The RPO can be met by purchase of renewable energy certificates from power exchange as mentioned in the Renewable Energy Certificate (for Renewable Energy Generation) Regulations, 2010, with CREDA as the nodal agency.
- Any person generating electricity from renewable energy sources will have priority, irrespective of installed capacity and shall have open access to any licensee's transmission system or distribution system or grid or both.

Chhattisgarh Electricity Tariffs (As per tariff order dated 26th April 2014)

| Slab Low | Slab High | Per unit Rate in Rs. |
|----------|-----------|----------------------|
| 1 | 200 | 2.70 |
| 201 | 600 | 4.10 |
| 601 | above | 5.90 |

DSM and Energy Efficiency Measures

The state government is attuned to the vast scope of energy conservation. Activities relating to energy conservation can help conserve huge amounts of energy. Potential for energy conservation is roughly estimated at 20 to 30% and hence mass energy conservation awareness and education drives were initiated. The Chhattisgarh State Renewable Development Agency (CREDA) is responsible for initiating energy efficiency measures. Some of the key initiatives in the area of energy efficiency include the following:

- In the government owned properties and housing boards, electric geysers are prohibited and solar water heating systems are mandatory
- For demonstrating the DSM project, sodium vapor lamps at the airport road are replaced with energy efficient lamps which aim to save 3.65 lakh units of electricity per year
- Nearly 1000 incandescent lamps and 50 street lights were replaced with LED luminaires in Dharseeva, Raipur through the LED village campaign
- Energy audit of 20 government buildings, nine water works, five industries and two rice mills were completed under the BEE schemes and state energy conservation fund
- Automatic power factor corrector panels were commissioned in the medical college hospital Raipur and the Chhattisgarh Institute of Medical Sciences, Bilaspur
- Announced energy efficiency in agricultural pumps with the approval of cabinet of ministers.
- CREDA is in the process of implementing an intensive programme for improving the power factor of government buildings
- State implemented energy conservation awareness and publicity campaign through various print, audio and video media.

Solar Update

The CREDA was formed in 2001 has a mandate to promote RE technologies and create an environment conducive to their commercialization through innovative projects. It has implemented projects in the field of power generation from renewable energy and environment friendly sources.

| RE Source | Approx. Potential in MW | Cumulative Achievement |
|-------------------|-------------------------|------------------------|
| Solar PV Roof Top | 500 | 35 |
| Solar PV Grid | 1,000 | |
| Wind | 300 | 0 |
| Bio Mass | 1,000 | 269 |
| Small Hydro | 1,000 | 20 |
| W2E | 30 | - |
| Geothermal | 50-500 | - |
| Total | 4,330 MW | 324 |

Interview



Mr. Sankalp Ved
DGM (RE Business)
Ruchi Soya Industries Limited

Q. As Ruchi group is a highly diversified company, can you throw some light on the power and energy domain of your group and how it is helping the group?

A. Yes, as you have rightly pointed that we are a diversified company and we have one of Asia's largest edible oil refining & Soya seed crushing facility which is our core business. Then we started diversifying ourselves and came into renewables in 2003-2004 mainly to take benefit of tax incentives. Our first renewable energy project was 2.5 MW wind power for captive use based at MP.

Q. What's the size of your portfolio i.e. how much MW?

A. We have three companies operating in power:

- Ruchi Soya Industries Ltd. 85.2 MW
- Ruchi Infrastructure Ltd. 10.8 MW
- GHI Energy 10 MW (solar power, a SPV)

Total capacity is about 106 MW. Apart from renewable energy generation we also do business in power purchases (through other sources) mainly to optimize our power consumption. Currently they are buying bilateral power from energy exchanges; in past we have also purchased hydro power for our plants. We also have a complex and robust captive wind power portfolio which safeguards us from price fluctuations/increments in conventional utility Tariffs.

We have around 20 factory set ups (for Soya seed crushing & Edible oil refining as mentioned above) that we have tied up captive wind power at 10 factory locations also we are buying power from Energy exchange / Bilateral source / Hydro power at 4 factory locations. Further we are planning to cover all of our plants by captive / alternate power.

Q. What are your views on RECs and have issued RECs for your project?

A. Initially we had inclination to do a project in REC model however due to little off take complex procedure (like getting ED benefit for captive use etc.) we have slowed that Idea. As far as emission reduction projects

are concerned we are the first company to register our wind under CDM in 2005 in India. Apart from that our 100% projects are CDM/VCS registered.

Q. How are you selling the electricity – power exchange, bilateral contracts, or long-term PPAs?

A. We are selling 100% power through long term PPAs with different with state government agencies / Discoms like: MP 50 MW, Maharashtra 2.5 MW, Porbandar, Gujarat 10 MW (Solar) and Rajasthan 18 MW Wind.

Q. Are you planning to increase your portfolio, if yes, how and in what technologies?

A. We are planning to expand our renewable energy portfolio as they give 3 basic advantages - Green (No Risk of fuel linkage), Small gestation period and Grid parity.

We do not have any specific inclination or liking or even disliking for any specific technology (wind or solar). We look each project on case by case basis and on its merit. That's why we have good geographic spread of our portfolio.

Q. What problems are you facing and what changes you would like in the policies?

A. As far as current policies are concerned they are quite good however. I am more concerned about implementation part of it. New government have done many things and took a lot of steps while emphasizing on renewable energy but still a lot more is to be done.

For example the REC enforcement is challenge. There are small-small things that need to look upon like some more improvisation in captive policies of few states. We are also eagerly waiting for new captive solar policy from various states including Bihar, Gujarat etc.

Q. Are they happy with services provided by Mittal Processors?

A. We are very happy with the MPPL's customer centric approach, they have given us single point contact for all of our complex requirements.

Press Release

New Delhi, 15 April 2015

Mittal Processors Private Limited Commissions Solar Power Project in Uttar Pradesh

Mittal Processors Private Limited (Mittal Processors), part of the Mittal's Group and one of the leading power trading companies in India, announced in early April this year, that it has installed a 100 kW solar photovoltaic (PV) power plant at ITS Dental College, Hospital & Research Centre at Greater Noida, Uttar Pradesh.

"We are proud to be working with ITS Dental College and help them better manage their power needs and procurement. The 100 kW solar PV project uses state-of-the-art technology, including grid-tied smart inverters to produce electricity," Mr. Kulbhushan Mittal, Managing Director, Mittal Processors Private Limited said.

The project has been implemented and commissioned by Mittal Processors through a Built-Own-Operate-Transfer (BOOT) model. The power generated from the project shall be sold to ITS Dental College by Mittal Processors in real-time through a bilateral agreement and at a mutually agreed tariff.

The power system uses polycrystalline solar PV modules and was commissioned in just 11 days. It is expected to generate 12,000 units per month.

"We have used the latest technology to install this power system and hope that it services the ITS Dental College well. We are planning to implement similar projects this year and target to expand the installed capacity to 600-800 kW by the end of this financial year," Mr. Mittal added.

The recent shift in the government's renewable energy policy has thrown up ample opportunities in the entire power sector. With further changes in the power policy expected soon the industrial and commercial consumers would have wider choice and options to choose their electricity supplier.

About Mittals Group Limited

Mittals Group, founded in 1977, is one of the top most companies in power and commodity trading in India. Mittals group is well known for pioneering several innovations in power trading industry. Its subsidiary Mittal Processors Private Limited is among the top 10 power trading companies in India. Mittal Processors has a large clientele that includes 80% of the state power distribution companies in India.

About ITS Dental College, Hospital & Research Centre

ITS Dental College, Hospital & Research Centre one of the top private medical institutions in Uttar Pradesh, India. The hospital and research center has state-of-the-art equipment and facilities. The college offers B.D.S. and M.D.S. degree courses.

For further information and inquiries contact:

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LEADERSHIP

"You cannot be a leader, and ask other people to follow you, unless you know how to follow, too."

— Sam Rayburn

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