



Wind Power Projects, Auctions & Inter State Transmission Outlook in India

Catalysing State wise business Opportunity for Developers,
Funding Bodies & OEM's with Project Player Profiles

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Why enincon's report upon "Wind Power Projects, Auctions & Inter State Transmission Outlook in India"

WIND POWER AUCTIONS OF 1000 MW PER MONTH ENVISAGED & WITH TARIFF GETTING LOWER HOW SHALL OPPORTUNITY DYNAMICS SHAPE UP IN INDIA

WIND POWER BACK IN THE GENERATION CAPACITY MIX WITH MORE AUCTIONS BEING PLANNED – BUT PROBLEMS EXISTS IN QUANTIFIED TERMS FOR STAKEHOLDERS IN INDIA

Post FY 2012 the focus from wind power started to gradually shift to solar power and post FY 2014 the impetus in terms of favorable policy incentives solar power witnessed a boom leaving wind to be the second fiddle only in the renewable energy space. But the vision 2022 also aims to raise the capacity of wind power in the country which led Gol to push the business case of wind power in the country and launch e-auctions for same through the aegis of SECI. However, this step is certain to rekindle the interests from the developers, OEMs, discoms and EPC service providers but does have impediments in terms of application. One of the most foremost being the reluctance of discoms to obligate the erstwhile signed PPAs which might lead the projects as NPAs for the investors as the revenue flows shall be arrested consequently. Following this risk Government has also issued a notice to the ERCs to ensure that neither of the parties involved in the PPAs for long-term may abandon the same the entire gamut of wind power may experience a different paradigm in the country. Having said that even if a capacity addition of 60 GW is to be added by FY 2022 and the balance capacity shall see at least ~ 6 GW on YoY basis from now on to be achieved. Another, challenge which shall remain in front of the stakeholders shall be weak REC market for non-solar sources and the planned auction shall see a sharp decline in the country which already has reached INR.3.46/unit and may further hit lower levels, which clearly means lower margins for the developers & OEMs as the CAPEX in near future shall not get lower on per MW basis in the country. This scenario shall completely change the opportunity pie and hence entices consultants at enincon to conduct an in-depth study to felicitate the exact opportunity share to the stakeholders on pan India basis with state wise split.

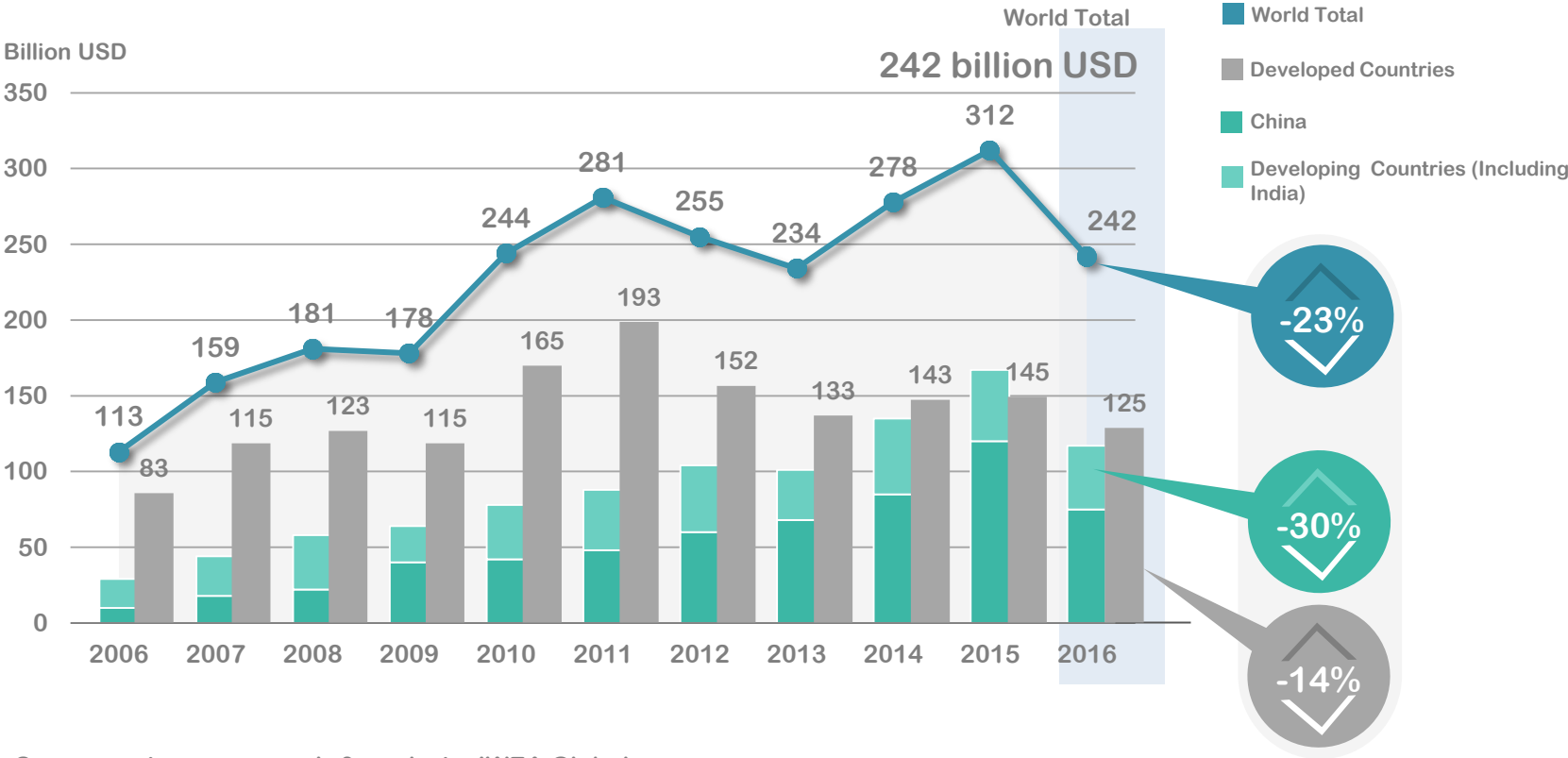
WHY INTER-STATE POWER TRANSMISSION PRIORITY TO WIND POWER MIGHT BE GAME CHANGING FOR TRANSFORMING LOCKED BOXES TO OPPORTUNITY GALORE IN INDIA

Allotment of priority to wind power in terms of inter-state transmission shall see the stranded assets in the sector a silver lining and the sale through OA mechanism may also gain pace especially in the state's where demand outshines supply in the country. This shall be of pinnacle interest for investors under the changing paradigm and change of winds experienced by the sector.

Queries like what shall be the market prospect and forecasted capacity pace for wind power shall be experienced in India till 2022 with a true factor included? What changing paradigm shall bring as opportunity and challenges for the stake holders? What shall be the market size for OEMs & what shall be impact upon the share of leading turbine manufacturers in India? What shall be growth rate post enablers like priority ISTS and auctions in the country for the wind power players & entire value chain players.

Queries like these and many more demanded an in-depth research to unearth the very reason as to why wind power shall be central to meet the demand cycle in India, which transformed into the research base for the report for Enincon Consulting LLP. Our analysts and consultants touched base with various industry specialists to garner a greater degree of depth for conducting a widespread research and come up with a dossier which shall enable decision making process regards direct power purchase with ease for all players involved like investors, wind power producers, EPC Players, state and private transmission utilities, private transmission utilities, discoms & turbine manufacturers vendors

Exhibit: Global Investment Scenario in Wind Power on YoY Basis from FY 2006 to FY 2016



Source: enincon research & analysis, IWEA Global

BUSINESS CASE FOR WIND POWER PROJECTS AUCTIONS IN INDIA

1. Gaining priority in power supplies in the country with preference in ISTS
2. Auction of 1 GW /month being planned
3. Stricter norms being implemented to honor PPAs
4. Falling prices for wind power, adding to gaining popularity
5. Changing horizons of opportunity for value-chain players in the country
6. Business case of Open Access gaining momentum in demand centers of the country
7. Discoms adding to their green power portfolio
8. Investors having safe havens with sustained returns, and NPAs to be a rarity for wind sector in future

PRESS EXCERPTS

With renewable power becoming more affordable, the government is set to auction wind power projects more frequently and is willing to abandon separate purchase obligation for different sources of clean energy for state utilities. Power Minister also floated the idea of doing away with the requirement of separate RPOs for different sources of clean energy and allow states to independently decide their energy mix.

Economic Times, India

As of today, we have 32.5 GW of installed wind capacity which amounts to only 10 percent of the total potential wind capacity. Earlier, transmitting wind energy from wind to non-wind states was a major challenge which prompted us to revise the wind policy. We are also planning to hold stakeholders sessions in order to address the challenges in the wind energy sector. The minister has asked us to come up with bids every month

Anand Kumar , Secretary , MNRE, India

KEY QUERIES ADDRESSED

- What shall be the changing paradigm post the auction in the country?
- What shall be capacity additions prospect for wind power auctions by FY 2022?
- What shall be the key challenges in succeeding the wind power auctions in India?
- Which state's shall improve the PPA scenario and not abandon old power plants amidst auctions?
- What will be the gains for project developers, OEMs and Discoms in auctions?
- What will be the opportunity for having a dedicated transmission corridor for auctioned projects?
- What would be the opportunity for open access through the auctioned projects under medium and long-term?

MUST BUY FOR

- **Central Power Transmission Utility**
- **State Power Transmission Utility**
- **Independent Power Producer**
- **State Electricity Boards**
- **Wind Power Developers, OEMs and Discoms**
- **Renewable Development Agencies**
- **Government Agencies**
- **Research Firms/Institutes**
- **Project Consultants & Turnkey Solution Provider**
- **Industry Associations**
- **Technical Consulting Group & Funding Bodies**

WHAT YOU CAN LEARN ? A SNAPSHOT

- **Indian Wind Market – Overview**
- **Wind Power Auctions – Analysing Changing Paradigm**
- **Wind Power Auctions – Market Prospects & Forecasts 2022**
- **Evaluating Bankability of Wind Power Projects in India**
- **Evaluating Wind Power Current Assets & Impact of Auction- Pan India Estimations**
- **Market Drivers & Restraints for Landscape for Wind Power in India**
- **Wind Power Auction- Evaluating Opportunity for Developers**
- **Wind Power Auction-Evaluating Opportunity for Funding Bodies**
- **Wind Power Auction- Evaluating Opportunity for OEM's**
- **Turbine Suppliers Market Share Analysis & Shaping Business Trends**
- **Inter State Power Transmission Opportunity Track- Region Wise for Wind Power**
- **Scenario Wise Opportunity Analysis for Wind Power in India- Auction based**