

February 25, 2018

IWPA Circular 248 of 2018



Circular to Members who have installed Wind Mills in Tamil Nadu

Sub: “Regulate” Wind Energy Banking - Petition of TANGEDCO to TNERC – 75% of Wind Energy Self Consuming Small industries may close down in thousands & throw away Lakhs of workers.

Dear Members,

Right from 1986 TNEB had been encouraging industries to invest in Wind Mills. TNEB promised and is practicing Wheeling Energy from Wind Mills to point of energy consumption, like, factories and permitted year round banking for a “price”

Banking charges was 2% in 1986 and now it is 12%. Wheeling and other charges were 2% then and now Rs 1.49 per unit of energy.

In 2017 TANGEDCO has petitioned TNERC requesting change of banking year from financial year (April to March) to calendar year (January to December). Wind year starts from April / May and ends by September / October. Banking year from April to March is comfortable to wind generators as it coincides with wind season.

If TNERC accepts TANGEDCO plea to have January to December banking year then most of the wind generators will have to surrender by end of December unutilized banked energy to TANGEDCO and accept 75% of the wind tariff price (At an average price of $3.10 \times 0.75 = 2.32$) and then buy costly TANGEDCO energy at the ruling tariff rates which may work out to Rs 7.00/- per unit from the month of January to March for consumption.

Another plea of TANGEDCO is refusing permission to provide “OPEN ACCESS” to HT Service connection with a demand of less than 1 MW. They are to loose “OPEN ACCESS” for transmission of their wind energy. That will probably mean wind generators may have to lose permission to use his own cheap wind energy which he generates from his wind mills he has installed in Tamil Nadu. He may have to sell wind mill generation at a

Indian Wind Power Association

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price anywhere from Rs 2.70 to Rs 4.16 (Average Price Rs 3.10) and buy costly energy for his factory at a price of Rs 7.00.per unit.

In other words the small industries and textile sector with less than 1 MW connection can no longer use own wind energy to carry on sustainable low cost production and may have to die in thousands and throw away lakhs of workers.

We are told that the Government of Tamil Nadu is likely to issue an order as per Section 108 of Electricity Act ordering TNERC to accept the plea of TANGEDCO so that TANGEDCO can get a profit of Rs 1000 Crores per year – No matter the industries shut their doors and throw away workers. Will Chief Minister and Tamil Nadu Government refuse to accept the plea of TANGEDCO and avoid industries to die in thousands? and avoid workers to be thrown on streets ?

Please write letters urgently on your Company letterhead to the Honorable Edappadi K. Palaniswamy, Chief Minister of Tamil Nadu with copy each to Secretary Finance & Secretary Energy of Tamil Nadu not to accept TANGEDCO's plea to order TNERC under Section 108 of Electricity Act (We enclose a draft of letter in Tamil to CM) Thousands of such letters to go to CM & each of Finance & Energy Secretary's of Tamil Nadu urgently from your end.

What we should do? Let us all gather at **Hotel Radisson Blu, Emperor Hall, Avinashi Road, Peelamedu, Coimbatore – 641004. Telephone – 0422 – 2226000 on 2nd March 2018 at 2 PM** and decide what we should do.

Thanking you in anticipation

With best wishes and regards

Yours sincerely
For Indian Wind Power Association
(Prof. Dr. K Kasthurirangaian)
Chairman

ENCLOSURE: DRAFT LETTER TO CM, TN

COPY TO: SIMA, TASMA & Indian Texpreneurs Federation (ITF)

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