



TAMIL NADU ELECTRICITY REGULATORY COMMISSION

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PRESS NOTE

Sub:- TNERC enhances the tariff for wind energy.

The Electricity Act 2003, National Tariff Policy and the National Electricity Policy have laid great emphasis on environmental friendly renewable sources of energy such as wind, hydel, solar and biomass. Tamil Nadu has been a pioneer in harnessing wind energy and has all along adopted progressive and forward-looking policies in this regard.

Installed capacity of wind power as on date in Tamil Nadu is 4100 MW, which accounts for 43% of the capacity in the entire country. This trend witnessed reversal during 2007-08 owing to the perceived adverse factors such as constraints on evacuation of wind energy and frequent load shedding and unattractive tariff for wind energy which was fixed at Rs.2.90 per unit in May 2006. Investment has been slowly shifting away from Tamil Nadu to other States such as Gujarat, Maharashtra and Karnataka. It is imperative to arrest this decline in investments.

Considering the demand-supply gap in electricity in Tamil Nadu during the next two to three years, it is essential that the State looks for capacity addition in the shortest possible time. While thermal plants take three to four years to mature, wind mills require just three to six months for installation. By all accounts, the need for attracting investment in wind energy sector is urgent.

Therefore, the Tamil Nadu Electricity Regulatory Commission has proposed to raise the tariff of wind energy from Rs.2.90 per unit to Rs.3.40 per unit.

(Anne Mary Swarna)
Assistant Secretary