

Government pushes renewable energy, announces sops

Even as crude oil price reached unprecedented levels, Prime Minister Manmohan Singh Friday convened a meeting of the Energy Coordination Committee to discuss proposals on development of solar energy and other renewable energy.

On Friday, North Sea Brent crude rose to a record high of \$141.98 per barrel, while West Texas Intermediate US light crude increased to \$141.71.

In a parallel development here Friday, the Ministry of New and Renewable Energy Sources (MNES) also announced a new scheme for generation-based incentive for wind energy producers.

At the meeting, the prime minister underlined the importance of developing renewable energy in India against the background of rising crude oil prices and concerns about climate change.

He told the MNES to draft a legislation and formulate schemes to encourage states to promote renewable energy. Singh also asked the ministry to prepare a "comprehensive action plan" in consultation with state governments, his media advisor said.

The prime minister said a Solar Energy Mission will soon be launched to encourage the use of solar lanterns, replacing kerosene lanterns.

Besides, the meeting also decided that grid connectivity for solar energy in rural areas should be explored, with villages having access to both conventional and non-conventional sources of energy.

Later, Minister of State for New and Renewable Energy Vilas Muttemwar announced a new scheme to attract large independent power producers to the wind energy sector through a generation-based incentive programme.

According to him, this scheme should encourage competition and development in this sector, as it is based on generation.

The ministry will provide an incentive of 50 paise per unit for 10 years to power producers. Only grid-interactive wind power generation plants with a minimum capacity of five megawatt will be eligible for the incentive.

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