

Indian businesses call for a supportive renewable energy policy framework

Overall purpose

To call for a clear framework that enables policy and regulatory environment towards 100% corporate sourcing of renewable power in India.

Background

Businesses in India are rising to the climate challenge, with more than 70 companies with headquarters and/or operations in the country voluntarily pledging to RE100 – a global initiative that brings together hundreds of large and ambitious businesses committed to 100% renewable electricity. In doing so, these businesses are looking to procure renewable power at scale and seek enabling policies and regulations to meet their RE100 targets,

while also supporting the government with achieving its clean energy targets and climate goals.

The following Policy Asks have been developed by RE100, with support from industry experts in India. The Asks provide a clear framework on what it will take to build an enabling policy and regulatory environment for 100% corporate adoption of renewable energy in the coming decade.

Policy Ask #1

Remove regulatory barriers and implement stable frameworks to facilitate the uptake of corporate renewable electricity sourcing through Open (grid) Access and Rooftop Solar.

Policy Ask #2

Work with utilities or electricity suppliers to provide a credible and competitive green tariff program that results in additional renewable energy procurement by corporate buyers.

Policy Ask #3

Support a credible and transparent system for issuing, tracking and certifying competitively priced Renewable Energy Certificates for voluntary corporate renewable sourcing.

Policy Ask #4

Promote direct investments in onsite and offsite renewable electricity projects by developers and businesses of all sizes and business park owners or operators.

Policy Ask #5

Create an electricity market structure that allows for direct trade between corporate buyers of all sizes and renewable electricity suppliers.

Policy Ask #6

Create market-based incentives for utilities to facilitate corporate renewable sourcing, including by gradually weaning utilities away from legacy thermal-based power purchase agreement (PPA) contracts.

Why it matters

As part of a stronger climate action plan, India has committed to increase its renewable power capacity target from 175 GW in 2022 to 450 GW by 2030. Commercial and industrial (C&I) consumers account for a predominant share of total electricity consumption in India – in 2018, C&I consumers accounted for 51 per cent of total electricity consumption, but only 3 per cent of total renewable power consumption. Thus, greater adoption of clean energy by C&I consumers is critical for meeting these national clean energy and global climate commitments.

We acknowledge the contributions of the following institutions in supporting us with consolidating the policy asks through their expert knowledge and engagement with businesses:

Global Wind Energy Council India (GWEC India), India Energy Storage Alliance (IESA), National Solar Energy Federation of India (NSEFI), World Business Council for Sustainable Development (WBCSD), World Resources Institute, India (WRI - India) and World Wide Fund for Nature, India (WWF - India)

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