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State, US Firm Sign Deal For 5,000MW Clean Power

₹35,000-crore pact includes solar photovoltaic and wind energy units

Express News Service

Bengaluru: Karnataka on Tuesday signed a deal with a US-based company to produce five gigawatt of renewable energy over five years.

Under the arrangement, SunEdison Inc, with its headquarters in California, will provide world-class technology for solar photovoltaic and wind energy plants. If all goes well, the state's production capacity will go up by about 50 per cent.

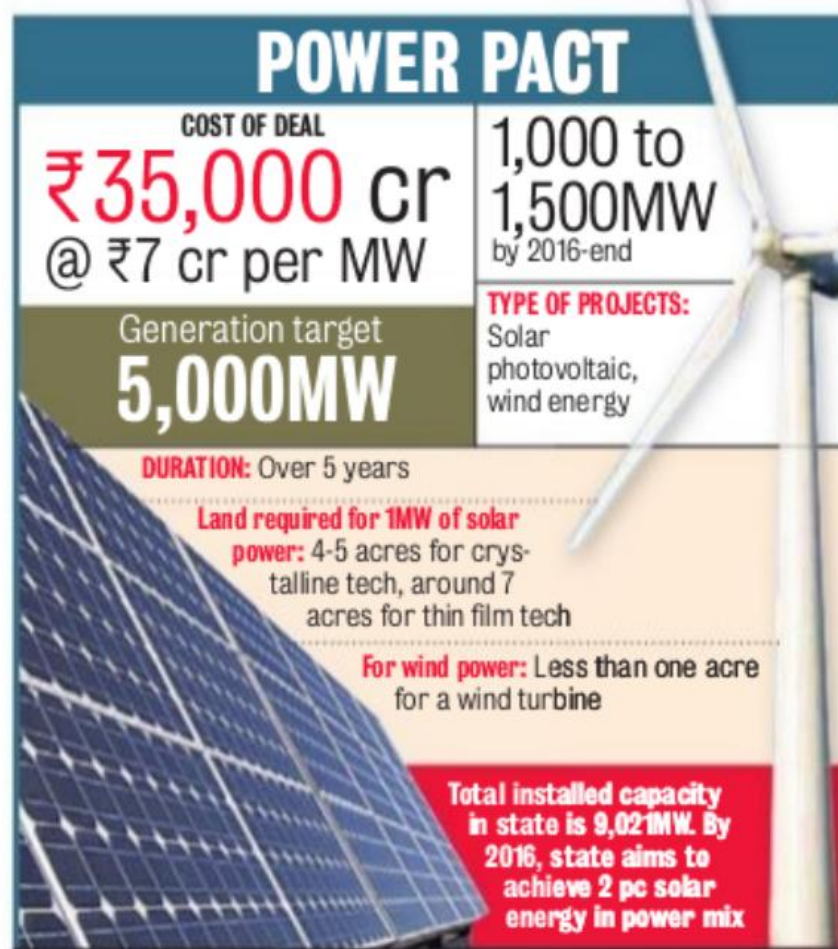
Speaking to reporters after signing the MoU, Energy Minister D K Shivakumar said the project would be implemented within the framework of the existing industrial, solar energy and renewable energy policies. He said the government was providing no special concessions to the company.

SunEdison has assured the government the energy would be more cost-effective than thermal power, and ease the deficit faced by the state.

Plants set up under the agreement will supply power to distribution companies, the Central government grid and third party 'off-takers' within and outside Karnataka.

The government will provide land and facilitate the construction of infrastructure required to connect the project to the grid.

According to the agreement,



projects with a total capacity of 1,000 to 1,500MW will be operational before December 31, 2016.

No land will be acquired from farmers, but those interested in reaping the benefits of the project could lease out their land on a 25-year agreement, Shivakumar said.

Farmers not only get rent for their land, but can also earn a supplementary income by selling power to the grid, he said.

A study by T V Ramachandra of Indian Institute of Science had identified the coastal parts of the state — which experience higher global solar radiation — as ideal for 'harvesting solar energy'.