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OPINION: Realizing India's vision of energy independence

If India shows the conviction, the courage, and the foresight to do what's necessary, there is every possibility that we will realize many of our past and present dreams for development and sustainability by 2047.

New Delhi: On our 75th Independence Day last year, Prime Minister Narendra Modi announced the goal to transform India into an energy-independent nation by 2047. A few months later, we strengthened our energy and environmental commitments at the COP26 Summit in Glasgow. The targets that India has set for itself are admirable in every respect but will need our government and industries to take concrete steps and walk the talk on their respective "green" agendas. Such things, as we know from past experience, are easier said than done but certainly not impossible. It will need everyone to act with foresight, focus on national interests beyond their own, and find the courage to shelve short-term gains for long-term prosperity.

Privatize the power sector to truly realize its potential for growth and innovation

The vision of a sustainable, clean energy future can be realized much quicker and more comprehensively if the power sector is freed from government control and allowed to function on a commercial basis. Government ownership of companies undoubtedly means well; they promote public welfare by pricing their goods or services affordably. However, as the Union Minister for Power and Renewable comes at the cost of infrastructure and other essential facilities or if they haven't created a separate account with adequate budget for it.

Today, although we are seeing opposition from some quarters, privatization of the power sector simply must be done to turn around its fortunes and give it the direction it needs. Private sector companies have both the resources and the expertise to manage the sector efficiently and deliver high-quality outcomes. Privatization will significantly reduce the delays currently faced in the implementation of power projects. It will also lower entry barriers and attract more foreign direct investment into the sector. Privatization of power distribution will also address chronic issues such as power theft and distribution losses.

The experiences we have had since the introduction of the Electricity Act in 2003 present a strong argument for the government to disengage itself from the power sector and hand it over to private companies. The sooner we acknowledge this fact, the better. The privatization of Air India is a welcome indication that India might finally begin to see some concrete action on the government's reforms

agenda in this direction. The government can continue to offer subsidies on power if it wishes, but it should leave the operations of the sector to its business owners.

Taking a leaf from the book of countries who have demonstrated change

Privatization alone is no guarantee of success. The power sector's tryst with privatization in the past has yielded mixed results. Privatization must be supported by robust, long-term, forward-looking government policies that will make us competitive with the best in the world. For starters, we must minimize crude oil and other imports from countries that do not have a free market system. The focus should instead be on entering into free trade agreements (FTAs) that work to India's benefits and correct the existing imports-exports imbalance.

There are four primary areas of concern that could do with immediate and decisive policy intervention. The first is the cost of electricity, which is currently punitive for all energy-intensive industries in the country. The second is issues pertaining to land acquisition – a huge deterrent for most business. The third is the existing labour laws in the country, which are overdue for comprehensive reforms. The fourth area of concern is red-tapism which can be addressed through the establishment of self-regulating mechanisms.

Today, Bangladesh is doing better than India on most socioeconomic fronts. There are many reasons for this admirable performance. Among them is the fact that Bangladesh has maintained continuity in economic policies, projects and programmes irrespective of a change in government. There is unwavering focus on the core tenets of macroeconomic stability, fiscal prudence, liberal trade, private sector incentivization, and commitment to social development. India would do well to take a leaf, or several, out of Bangladesh's book.

Focus strongly on hydrogen and solar power as solutions for India's energy and trade imperatives

India is one of the first nations to have announced a Green Hydrogen Mission, and a Green Hydrogen Policy is expected to be announced soon. The abundance of sunshine and water bodies gives India a geographic advantage in the production of green hydrogen. However, as we know, new technologies don't always succeed. Carbon capture and sequestration/storage, for instance, showed great promise but didn't take off. As far as hydrogen goes, the biggest hurdle in its adoption is its price. There are also challenges associated with its manufacturing components, storage, transportation, handling, and safety.

Solar power, meanwhile, is developing much faster and will continue to account for a large share of India's clean energy mix. Solar power also lends itself well to the idea of mini grids, which can help developing nations like ours meet the energy needs of populations spread across large and disparate geographies. The development of clean energy – whether hydrogen, solar, wind, biomass, or any other – needs to be backed by continuous technology innovation and guided by a clear, long-term vision.

If India shows the conviction, the courage, and the foresight to do what's necessary, there is every

possibility that we will realize many of our past and present dreams for development and sustainability by 2047. What better could we deliver on our 100th year of independence!