Ways to improve the Solar Sector

Why in news?

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- Madhya Pradesh's **Rewa Ultra Mega Solar Project**, the world's largest solar park, will now produce the cheapest solar power in the country at just Rs 2.97 per unit.
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- This is the first time in the history that the tariff of electricity based out of Solar Power Plants is going to be at sub-3 level.
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What are some of the glaring lacunae?

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- The National Solar Mission, inaugrated in 2010, is an initiative of the Government of India to promote renewable solar power. It has set a target of achieving 20GW by 2022 which was later increased to 100 GW in 2015.
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- An important missing aspect in the national policy on renewables is the **failure to tap the investment potential of the middle class**.
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- The grid-connected large-scale installations have received maximum attention, while the rooftop solar sector was largely ignored.
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- Also, the target of installing even 12 GW solar capacity in 2016-17 is far from attainable now, since it fell short by almost 10 GW as of December 2016.
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What needs to be done?

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- The progress in solar sector must be deepened with policy incentives, for several reasons. The most important being, the need to connect millions of people who are without access to electricity.
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- Adding more than 10 GW capacity annually over the next six years will require active participation and investment by both residential and commercial buildings sector.
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- This can be kick-started using **mass participation by citizens,** with State electricity utilities being given mandatory time frames to introduce net-metering systems.
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- The German experience, where robust solar expansion has been taking place, illustrates the **benefits of policy guarantees for rooftop installations and feed-in tariffs** (payment made to households or businesses generating their own electricity).
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- Also, tariffs paid both for large plants and smaller installations require periodic review.
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Source: The Hindu

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