

Enabling Just Transition in India's Power Generation Sector

Background

The world is undergoing a paradigm shift towards achieving environmental sustainability and climate resilience across sectors. A key anchor for this envisaged shift is the energy sector, in particular, the power generation sector which contributes significantly to environmental deterioration through the air and other forms of pollution.

To counter this, India and several other countries have committed to take corrective actions in a targeted manner through global climate commitments adopted as part of the United Nations Framework Convention on Climate Change (UNFCCC). As part of its Intended Nationally Determined Contributions (INDCs), India has committed to upscale its non-fossil power capacity to 40 percent of the overall generation portfolio and reduce the emission intensity of its GDP by 33-35 percent below 2005 levels by 2030.

To achieve the climate-based goals in the power sector, a clean energy transition is required in the power generation sector, which essentially implies a shift from fossil fuel-based electricity generation to renewable energy generation. As an effort to meet its international commitments while addressing national environmental exigencies, India has been running one of the most ambitious renewable energy programs developing 175 GW of renewable capacity by 2022, ramping it to 450 GW by 2030.

Problématique

A clean energy transition, similar to various other transformative ideas, requires a carefully crafted framework and strategy given its widespread impact on various actors of the energy sector ecosystem. Moreover, given the federal framework of energy sector governance in India giving both the Central and state governments the right to legislate on the matter, there is an innate complexity in the process of achieving a fossil-free future of the power generation sector at a State level.

Furthermore, a shift from fossil-based power generation to renewables will also have significant socio-economic consequences for the ecosystem as a whole, especially on the livelihood of people dependent on thermal power generation value-chain. Similarly, the expedited process of installing renewable capacity through solar-based, wind-based, or other non-conventional energy-based power plants will impact several stakeholders. For instance, it will impact the community living on and

around the land utilised for the construction of such renewable energy projects by affecting their habitat and means of livelihood.

Given this context, CUTS envisages undertaking a state-wise study of assessing the readiness of two states (Rajasthan and West Bengal) to switch to a near-zero carbon economy. The sector under consideration will be the power generation sector in these states, which also has a rippling effect on various other sectors of the economy, thus, creating a multiplying impact across the society vis-à-vis clean energy transition.

Objectives

To map and institutionalise the approach of 'just transition' in clean energy transformation of the power generation sector in India to ensure social, economic and environmental dividends for relevant stakeholders.

Methodology

The project would entail:

- **Desk Research**

This will involve an extensive literature review and research for computing potential costs and benefits for different stakeholders in both the states and identifying key indicators requiring field interactions with different stakeholders. This will also include mapping the key policies and indicators of clean energy transitions to create an Approach Note. This approach note will be vetted by select domain experts.

- **The inception of Seed Community**

As part of the methodology, seed communities in both states will be created which will be the driving force for creating change at the ground level. CUTS will also leverage its existing network and experience of curating and sustaining seed communities in the power sector. Potential partners to expedite this endeavour will include community representatives and civil society organisations, NGOs and unions working with workers in the sector, think-tanks and strategic organisations working with the State Government, media partners and the State Government.

Three seed community meetings per State at the inception, mid-term and completion stages of the state-level interventions have been envisaged.

- **Finalisation of the Report**

Based on the inputs received from the community engagements and secondary research, a framework for a clean energy transition will be developed for each of the states.

Envisaged Outputs

- Number of on-field stakeholder interactions with key actors of the energy transition ecosystem per State (government officials, workers, community members, research organisations, etc.): 50 (Tentative)
- Knowledge products/outputs - State Energy Portfolios with Way Forward Infographics
- Digital Story on project findings, op-eds, discussion papers: 1+3+2 = 6 (Tentative)
- Outreach events through dissemination, advocacy and networking activities per State (seed community meetings): 1

Expected Outcomes

- Enhanced awareness amongst the State Government and in particular, the energy sector officials, with respect to various aspects of just transition associated with a state-level clean energy transition
- Increased societal readiness of adapting to clean energy transition by being active shareholders and not mere stakeholders of the process
- The strengthened discourse around social, environmental and economic impacts related to clean energy transition in power generation sectors of both the States informing the planning and policy processes related to the transition

Project Duration

The project duration is 14 months (December 2020 - January 2022).

