



India: Green Energy Corridor and Grid Strengthening Project

Project Name	Green Energy Corridor and Grid Strengthening Project		
Project Number	44426-018		
Borrower/Company	POWER GRID CORPORATION OF INDIA LTD		
Country	India		
Location			
Approval Number	7467/3375		
Type or Modality of Assistance	7467	Loan	USD 500.00 million Approved
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Partnerships Private sector development		
Sector / Subsector	Energy - Electricity transmission and distribution		
Gender Equity and Mainstreaming	No gender elements		
Responsible ADB Department	Private Sector Operations Department		
Responsible ADB Division	Infrastructure Finance Division 1		
Responsible ADB Officer	Sonali Tang		
Project Sponsor(s)			
Description	<p>The project will fund electric transmission system investments in India, including (i) a portion of the Government of India's " Green Energy Corridor" initiative to facilitate the transfer of power from the renewable energy (RE) rich areas to other parts of the country, consisting of 765 kilovolt (kV) and 400 kV high voltage transmission lines and an associated 765/400kV substation and associated equipment, and (ii) four high voltage direct current (HVDC) terminals (two at 800 kV and two at 320 kV) as part of increased inter-regional connectivity between India's western and southern regional power grids.</p> <p>India's Ministry of New and Renewable Energy and the Forum of Regulators commissioned Power Grid Corporation of India Ltd. (Powergrid) to conduct a Green Energy Corridor study to identify requisite nationwide transmission investments required to accommodate the anticipated additional renewable energy generation capacity targeted during India's 12th Five Year Plan (2013-2017) and beyond. Powergrid is the public sector corporation that is mainly responsible for construction, expansion, operations and maintenance of India's inter-state and inter-regional power transmission network. In order to facilitate transfer of renewable energy from the renewable energy rich states to other states, as well as absorption and smoothing out of the intermittency from such power sources, Powergrid has identified requisite investments in a phased approach to commence during the 12th Five Year Plan.</p> <p>Powergrid also conducted the studies for the proposed HVDC transmission link to further increase inter-regional transmission capacity between the western and the southern regional grids.</p>		
Objectives and Scope	The project consists of electric transmission system investments in India to facilitate the transfer of renewable energy, as well as increasing interregional connectivity. The total project cost is about \$2.6 billion, for which ADB would provide a project loan of up to \$500 million. Investments will include transmission lines and substations.		
Linkage to Country/Regional Strategy	This project is a subset of India's 'green energy corridor' initiative to ensure that transmission system development is commensurate with renewable energy capacity development over time. The project will also incorporate increasing interregional transmission capacity between the southern and western regional systems via an 800 k V HVDC link. The proposed project will thus improve interstate power flows and system reliability.		

Safeguard Categories

Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	Effective measures to avoid, minimize, mitigate, and compensate for the adverse environmental impacts are incorporated in the initial environmental examination, which includes the environmental management plan. Environmental impacts of transmission lines are mostly localized to the right-of-way and can be minimized by careful route selection.
Involuntary Resettlement	For the transmission towers and lines, impacts are temporary and will occur during construction in terms of loss of crops and trees which will be compensated. Effective measures to avoid, minimize, mitigate, and compensate for the adverse impacts are incorporated in the relevant documents.
Indigenous Peoples	Not expected
Stakeholder Communication, Participation, and Consultation	Project was cleared by Government of India for Asian Development Bank to undertake due diligence after inter-ministry consultations in 2014. Powergrid has conducted public consultations in applicable project areas and consulted with other stakeholders.

Timetable for assistance design, processing and implementation

Concept Clearance	27 Apr 2015
Due Diligence	01 Jun 2015
Credit Committee Meeting	14 Sep 2015
Approval	09 Dec 2015
Last PDS Update	22 Oct 2015

Project Page	https://www.adb.org/projects/44426-018/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=44426-018
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