

Developing India's Hydropower Potential: A US Hydropower Initiative

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The US Hydropower Council for International Development (“US Hydropower”), as the U.S. hydropower industry’s international trade association, supports hydropower development in emerging markets worldwide. Our membership has a broad base of companies including investor owned utilities and private power producers, equipment manufacturers and suppliers, financiers, and consultants including engineering, design and legal expertise, all striving to develop hydropower in emerging markets. US Hydropower is committed to hydroelectric power as the preferable energy option, which jointly serves global environmental and energy policy objectives. Fulfilling these goals for India’s power supply is particularly compelling and of great interest to our members.

Two years ago the Prime Minister of India, announced a 50,000 MW hydropower initiative. Currently only 21% of this 50,000 MW capacity has been harvested. There is a shortage of 10,000 MW of electricity in India. The goal of the Government of India is to increase the current hydropower generation to 40%. Investment and expertise from the private sector must play a central in promoting and achieving this development.

In keeping with the Government of India’s goals to dramatically increase hydropower generation, US Hydropower has established a public-private partnership program with the United States Agency for International Development’s (“USAID”) India Mission for successful development of hydropower in India. The program will leverage initial contributions from the private sector and USAID’s India Mission, along with participation from Indian Government agencies, to achieve significant additions of climate-friendly, sustainable hydropower capacity in India.

US Hydropower's program will address investment and development issues that are currently facing the developers. Currently, there is minimal investment flow in India and hydropower development activity is lagging. US Hydropower's public-private partnership program will further dialogue among all stakeholders, including policymakers and the private sector, and find resolution on market barriers.

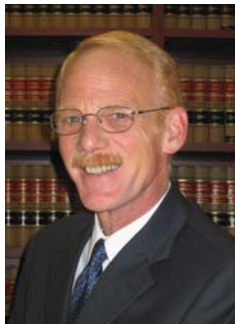
US Hydropower's partners to date in this initiative include: Global Water + Energy; International Institute for Energy Conservation ("IIEC"); International Small Hydro Association; Society for Energy, Environment, and Development (SEED). India Program Director, Dr. V. Bakthavatsalam, the former Managing Director of the Indian Renewable Energy Development Agency Limited will lead the in-country activities.

Partnership activities will move forward initially in Himachal Pradesh, Uttranchal, Madhya Pradesh, Uttar Pradesh, and Maharashtra. US Hydropower will select additional states to expand its program based on the list of potentially feasible projects that will be identified by the Government of India (including potentially Karnataka, Andhra Pradesh, Kerala, Tamil Nadu, and the North-Eastern states Jammu and Kashmir).

A US Hydropower sponsored delegation of members companies, U.S. government officials, and US Hydropower staff members initiated the new partnership with a trip to India in October, 2005. The delegation met with USAID and central government officials in New Delhi, and state officials in Himachal Pradesh ("HP"). The HP meetings focused on opportunities for rehabilitation and Greenfield projects. Key policy issues and finance barriers for near term projects were discussed with the Himachal Pradesh State Electricity Board, Himachal Pradesh Govt. Energy Development Agency – HIMURJA, the Himachal Pradesh State Electricity

Regulatory Commission, and the Central Electricity Regulatory Commission. Following up on those meetings, written recommendations were submitted to the HP State government.

Additional activities planned for the US Hydropower's India Program include: outreach to stakeholders in target states and the Central Government; establishment of an Advisory Panel of pre-eminent hydropower experts from identified stakeholders; policy development; and capacity building through technical evaluation, training, and preparation of a Best Practices Guide for hydropower development. US Hydropower is actively soliciting the support and participation of additional partners and stakeholders. Those interested should contact US Hydropower's India Program Director, Dr. V. Bakthavatsalam, 334 Chandgi Ram Block, Asian Games Village, New Delhi 11 049, India or US Hydropower headquarters in Washington, DC.



Donald H. Clarke is the **Executive Director** of the **US Hydropower Council for International Development**, a trade association based in Washington, DC and working to help the US hydropower industry bridge the uncertainties in new global markets. Lead advocacy for hydropower development in India and key emerging markets is provided by US Hydropower's **Director of Trade Promotion, Debby Stone**, who also contributed to this article.

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