

# REC Limited Media Coverage 10 July 2024

## CMD Interview with Indian Express Group



## REC: The tech edge in a changing global energy landscape

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In today's dynamic era of energy, where the global shift towards renewable sources is both a challenge and an opportunity, REC Limited is at the forefront of transformation. The energy landscape is no longer a static environment; it's an ecosystem in constant flux, driven by advancements in technology and evolving societal needs. REC's proactive stance in integrating cutting-edge technologies like artificial intelligence (AI), blockchain, and big data analytics into its operations underscores its commitment to efficiency, transparency, and sustainability. VK Dewangan, Chairman and Managing Director of REC Ltd, encapsulates this vision perfectly, as he shares with us REC's plans for not only navigating but shaping the future of India's energy sector.

**India's ambitious renewable energy targets require significant infrastructure development. How is REC strategically planning to finance and facilitate this growth?**

REC recognises the pivotal role it plays in facilitating India's ambitious renewable energy targets through strategic planning and financing initiatives aimed at significant infrastructure development. The company's approach encompasses several key strategies to effectively finance and facilitate this growth. Firstly, REC is diversifying its financing portfolio to include a wide range of renewable energy projects beyond conventional solar and wind. This includes financing for pumped storage, energy storage solutions, e-vehicle projects, and the manufacturing of solar modules. By extending financial assistance to a diverse array of projects, REC ensures that it remains at the forefront of India's renewable energy expansion, catering to various emerging needs within the sector.

REC also forms partnerships and collaborations with other financial institutions, government agencies and private entities to mobilise additional funds and resources for the power sector. Recently, REC has been designated as the Program Implementation Agency for implementing the nationwide rooftop solar initiative, announced by the Prime minister. As a proactive support to the scheme and streamline the execution stage, REC has approved letter of credit of about INR 15,000 crore each for eight Central Public Sector undertakings which would set-up the rooftop panels across states. Further, REC also explores innovative financing mechanism such as green bonds, carbon financing, and climate funds to attract investment in sustainable energy projects.

**What are the biggest challenges REC faces in achieving ambitious renewable energy targets?**

One of the biggest challenges REC faces in achieving its ambitious renewable energy goal of INR 3 lakh crore green loan book by 2030 is the need for significant infrastructure development. This includes establishing RE projects, transmission lines, energy storage facilities to support the integration of renewable energy into the grid. Hydrogen fuel cells are another challenge. Financing Green hydrogen and green ammonia present vast opportunities.

**How does REC contribute to making energy more accessible and affordable for all segments of Indian society?**

REC has been instrumental in fulfilling the Government of India's target of electrifying unelectrified villages and universal household electrification as a nodal agency for the Deen Dayal Upadhyaya Gram Jyoti Yojana and the Pradhan Mantri Sahaj Bijli Har Ghar Yojana – SAUBHGYA Scheme, as a result of which, the country has achieved the massive target of providing electricity access to all unelectrified households. As the power sector enters a phase of modernisation, technological advancement and consumer centric focus, we are honoured to be associated with INR 3 lakh crore reforms-based and results-linked Revamped Distribution Sector Scheme (RDSS) of the Government, a significant step in this transformative journey under which provisions for balance household electrification have been made. REC is also providing counterpart funding to various schemes of Government of India being implemented for transformation of the Indian power sector.

**Looking ahead, what are the most exciting developments you anticipate in the renewable energy sector in India and how can REC be at the forefront of these advancements?**

Some of the most exciting developments in the renewable energy sector in India include the expansion of hybrid projects, pumped storage projects, energy storage solutions, and the growth of the e-vehicle and solar module manufacturing industries. REC is well-positioned to be at the forefront of these advancements through its strategic financing initiatives.

REC has already ventured beyond conventional renewable projects like solar and wind by providing financial assistance to hybrid projects, which combine different renewable energy sources for greater efficiency and reliability. The company is keen to support more such innovative solutions. Additionally, REC has sanctioned pumped storage projects and aims to capture more opportunities in this area, which is crucial for ensuring a stable power supply from renewable sources. REC is also actively exploring the financing of sunrise sectors such as green hydrogen, green ammonia, and round-the-clock (RTC) power projects that involve bundling renewable energy with thermal power. These projects represent the future of sustainable energy in India. Additionally, REC is looking into opportunities in ethanol manufacturing projects, which align with the country's goals of increasing energy self-sufficiency and reducing carbon emissions.

By investing in these diverse and innovative energy projects, REC is not only supporting the current energy transition but also positioning itself as a leader in the renewable energy sector. Through its comprehensive financing strategies, REC will continue to drive advancements and help India achieve its ambitious renewable energy targets.

**The global energy landscape is changing rapidly. How is REC positioning itself to adapt to these changes such as growing focus on energy storage and distributed generation?**

Decentralised generation through renewable energy sources is the need of the hour for a sustainable future globally. REC supports distributed generation projects such as rooftop solar installations, micro-grids, and community solar initiatives through innovative financing mechanisms and partnerships with stakeholders across the energy value chain. By facilitating the deployment of distributed generation technologies, REC empowers consumers to take control of their energy consumption, reduce reliance on centralised power sources, and contribute to sustainability goals. As India progresses in its energy transition journey, tackling the hurdles associated with energy storage becomes paramount. Grid-scale energy storage solutions like Pumped Hydro Storage and Battery Energy Storage Systems are indispensable in resolving challenges posed by intermittent renewable energy generation and mismatches in peak demand. Looking ahead, the development of cost-effective storage technologies will be pivotal for accelerating the pace of energy transition.

In summary, REC is proactively positioning itself to adapt to the changing global energy landscape by embracing energy storage and distributed generation technologies. By diversifying its portfolio, supporting distributed generation initiatives, and leveraging digitalisation, REC is well-equipped to capitalize on emerging opportunities in the renewable energy sector while contributing to the transition towards a sustainable and resilient energy future.

**The renewable energy sector is rapidly evolving technologically. How is REC integrating new technologies like blockchain or AI into its operations to improve efficiency and transparency?**

REC Limited, along with its subsidiary REC Power Development and Consultancy Limited, is integrating advanced technologies like AI, ML, blockchain, and Big Data into its operations. We have developed a framework that facilitates DISCOMs to use these advanced and emerging technologies to address the challenges faced by the power sector. We have developed a dedicated web-based platform for submission of DISCOM data/inputs, monitoring of the performance parameters, analysis, reporting, and dashboarding of results/insights.

This scheme is designed to provide flexibility to DISCOMs for selection of their priority areas and the targets. The integration of AI and blockchain affects many aspects, including security and efficiency. AI can effectively mine through a huge dataset and create newer scenarios and discover patterns based on data behaviour. Blockchain helps to effectively remove bugs and fraudulent data sets. New classifiers and patterns created by AI can be verified on a decentralised blockchain infrastructure and verify their authenticity.

**Cybersecurity threats are a growing concern across the financial sector. How is REC ensuring the security of its data and financial transactions, especially with the increasing adoption of digital platforms?**

REC Limited follows a comprehensive regulatory and policy framework for power sector cybersecurity. We ensure compliance to the cybersecurity norms and adequacy of measures against cybercrimes. We also maintain a backup policy, periodic backup of data, and its restoration capacities as per the approved policy.

These measures help us to protect our data and financial transactions from potential cybersecurity threats. However, as the digital landscape continues to evolve, so too will the strategies and technologies used to safeguard against cyber threats. REC stays up-to-date with latest developments in cybersecurity to avoid frauds, threats and risks.

Full Story Link - <https://www.expresscomputer.in/exclusives/rec-the-tech-edge-in-a-changing-global-energy-landscape/113764/>

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