



# Approval of the Draft of Rajasthan Green Hydrogen Policy, 2023

## Why In News?

On September 16, 2023, Rajasthan Chief Minister Ashok Gehlot released the draft of 'Rajasthan Green Hydrogen Policy-2023' to encourage investors and search for clean energy sources keeping in mind the clean energy production, future needs and climate change in the state. It has been approved. Notification will be issued soon by the Energy Department.

## Key Points:

- With this decision of the Chief Minister, companies producing green energy in the state will get various types of subsidies. Employment opportunities will also increase in the state.
- It is known that most sources of renewable energy are available in Rajasthan. The state is extremely favorable for green hydrogen production.
- The state government will provide various facilities to encourage investors under the policy. In these, 500 KTPA renewable energy plants to be established on the state's transmission system will be given 50 percent exemption in transmission and distribution charges for 10 years, complete exemption in additional and cross subsidy surcharge on purchasing renewable energy from third parties for 10 years.
- A 30 percent (maximum Rs 5 crore) grant will be given for priority in allotment of land and establishment of a research center for green hydrogen production from treated or brackish water.
- Apart from this, various discounts, water availability and banking facilities will also be provided under RIPS-2022. There will be no restriction on the capacity of captive power plants and banking of generated electricity. Besides, the ban on power withdrawal during peak hours has also been removed in the new policy.
- Under the 'Rajasthan Green Hydrogen Policy-2023', the new policy will have 100 percent reimbursement/waiver of wheeling and transmission charges for power plants. Along with this, banking charges for power plants will also be reimbursed/waived for seven to ten years.
- Under the 'Rajasthan Green Hydrogen Policy-2023', the green hydrogen sector will be included in the thrust sector under the Rajasthan Investment Promotion Scheme-2022. Also, by including it in the Sunrise Sector, it will be given the benefits of Manufacturing Standard Package.
- It is noteworthy that the Energy Department had released the draft of the policy in the public domain and took suggestions from the stakeholders. Important suggestions have been included.
- The state government has set a target of 2000 KTPA energy production by the year 2030 in the policy. In this, projects will be established in 4 categories.
- These include extraction of renewable energy through the network of power grid, production of renewable energy and hydrogen at one place (700 KTPA), 24-hour generation of renewable energy through RTC power (800 KTPA) and residence of renewable energy through the network of RVPN (500 KTPA).
- What is Green Hydrogen:
- Green hydrogen is a new and emerging field of recycled/renewable energy. In this, hydrogen is produced by electrolysis of water using renewable energy. That is why it is called 'green hydrogen'.
- The main use of hydrogen is in refineries, steel plants and making ammonia. The total hydrogen demand in the country is 60 lakh tonnes, while in Rajasthan it is 2.5 lakh tonnes. Its manufacturing

is pollution free.

- It is noteworthy that the National Green Hydrogen Policy-2022 and Mission has been released by the Central Government. In this, a target has been set to produce 50 lakh tonnes of green hydrogen by the year 2030.

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