

1. The weather is getting extreme and impacting the operations of the projects and power generation as well, making it difficult for them to retain the financial sustainability.
2. States at Union Republic of India are now migrated to competitive bidding process and because of the competitive edge, it has become difficult for the project developers to sustain financially as they are required to financially beat the competition within the industry to win the project.
3. Downfall of other available additional revenue stream for the project - Other revenue stream for the projects such as Green Attributes affected by the low demand and high supply is also not able to contribute any help to the project financials.
4. Its been observed that the Power hungry nations are expanding their renewable on the one end as well as on the another end they are also fueling their traditional power sources like Coal/Thermal Power Projects. To incentivize and promote the RE sector its crucial to support the RE projects providing premium to promote the industry to look and rely more upon the RE option to fulfil their requirements.
5. In case of Greenfield power plant or retrofit to an existing solar photovoltaic or wind power plant with a BESS, to assess the economic attractiveness of the project activity, it is not possible for the project participants to use the highest possible tariff that they may receive as in case of competitive bidding they are required to be the lowest bidder in order to win the contract.
6. Reverse bidding projects should be treated as separate investment climate compared to preferential tariff and captive project while doing CPA analysis.

Hence the carbon revenue serves as a crucial financial instrument for the financial sustainability and additionality of the project and Large Scale projects should be considered to claim the benefits under meth ACM002.