

making process. I will not tolerate any delay by ONGC or the Oil India on this front because it will affect our whole exploration plan.

SHRI SYED SHAHABUDDIN: Sir, the Minister has not given the target date as to when does he hope to finalise it.

CAPT. SATISHKUMARSHARMA: Well, Sir, all these bids which have been received are under consideration. No decision has been taken on any of these bids. They are being examined and evaluated. I can only assure the hon. Member that without any unnecessary delay, in the quickest time frame, we shall see that these companies decide on these rigs.

MR. SPEAKER: Question No. 383 - Shri Lalit Oraon....(*Interruptions*)

[*Translation*]

### Power Generation

\*383. SHRI LALIT ORAON: Will the Minister of POWER be pleased to state:

(a) whether the generation of thermal power has been increasing in comparison to the generation of hydel power;

(b) if so, the reasons therefor;

(c) the percentage of thermal and hydel generation at the end of Sixth Plan, Seventh Plan and the projected generation by the end of the Eighth Plan; and

(d) the measures proposed to be taken to increase the hydel generation?

[*English*]

THE MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI P.V. RANGAYYA NAIDU): (a) to (d). A **Statement** is laid on the Table of the House.

### STATEMENT

(a) Yes, Sir.

(b) The main reasons for addition of more thermal capacity as compared to hydro capacity are:—

(i) Long gestation period of hydro projects,

(ii) Problems relating to environmental issues, land acquisition and rehabilitation & resettlement,

(iii) Inter-State disputes on sharing of water.

(c) Thermal and Hydro generation in capacity terms at the end of the terminal years of the 6th, 7th Five Year Plans, two Annual Plans, first two years of 8th Five Year Plan and the projected capacity addition during 8th Plan are given in the Annexure.

(d) The measures taken include — creation of Central/Joint Sector Corporations like NHPC, NEEPCO, NJPC and THDC; providing funds for hydro projects through external assistance like World Bank, OECF and bilateral agreements; preparation of a shelf of hydro projects and enhancing the financial limits of the State Governments for investment decision. And now Special efforts are also being made to attract private investment in hydro power sector.

## THERMAL &amp; HYDRO INSTALLED CAPACITY IN MW

Plan/Year	Thermal		Hydro	
	MW	% of Total	MW	% of Total
VI Plan (As on 31.3.85)	27030	63	14460	34
VII Plan (As on 31.3.90)	43417	69	18308	29
Annual Plan (1990-91) (As on 31.3.91)	45766	69	18753	28
Annual Plan (1991-92) (As on 31.3.92)	48096	69	19189	28
VIII Plan (As on 31.3.93)	50745	70	19569	27
(As on 31.3.94)	54347	70.8	20366	26.6
Anticipated Capacity addition during VIII Plan	15057.50	70.9	3864.7	26.07

[Translation]

SHRI LALIT ORAON: Mr. Speaker, Sir, the Hon. Minister has pointed out in his reply to part 'B' of the question that the long question period of hydro-power projects, problems relating to environmental issues, land acquisition, rehabilitation and resettlement and inter-State disputes on sharing of water come in the way of speedy execution of hydro-electric projects. This much he has been said in the reply given to part 'B' of the question. He also mentioned in his reply that special efforts are also being made to attract private investment in hydro-power sector. My question is whether the Government envisage that the problems narrated by him will be resolved if the Private Sectors are assigned the job?

[English]

SHRI P.V. RANGAYYA NAIDU: Mr. Speaker, Sir, we have given the various reasons that are coming in the way of speedy execution of these hydro electric projects. One of the steps to be taken to speed up the execution is to offer these projects to private sector. It is not the only suggestion or the only solution. The problems are there in respect of some projects and some other projects could be cleared from all angles and kept ready for private investment. The State Governments have already been told to take appropriate action and the Government of Himachal Pradesh is already planning to hand over one project — BASPA — to private sector. Similarly, the State Governments may after getting all the clearances — offer these projects to private sector for implementation... (Interruptions)

MR. SPEAKER: The Member wants to know, "by giving it to the private sector would you be able to increase the hydro power generation capacity".

SHRI P.V. RANGAYYA NAIDU: Yes, Sir. That is the idea.

MR. SPEAKER: That is the idea. But will you be able to increase the hydel capacity?

SHRI P.V. RANGAYYA NAIDU: One of the steps to be taken is to hand over some of these projects to private sector. We hope that when the private sector comes in a large scale we will be able to increase the hydel capacity. ... (Interruptions)

MR. SPEAKER: The Minister is not certain about it.

THE MINISTER OF POWER (SHRI N.K.P. SALVE): Sir, I may supplement. What my colleagues has stated is that we have given certain answers as to why the growth in thermal capacity is not commensurate with that of the hydel capacity. We have given three reasons, namely, (i) long gestation period of hydro projects; (ii) problems relating to environmental issues, land acquisition and rehabilitation and resettlement; and (iii) Inter-State disputes on sharing of water. His question is, would these three difficulties be eliminated if the projects are given to private sector.

Sir, induction of private sector would not eliminate all these three aspects of the matter. It only supplements the resources... (Interruptions)

I hope, Sir, there is certainty in what I have said.

MR. SPEAKER: At least, not in my mind.

SHRI N.K.P. SALVE: I am grateful to you, Sir. The main question that was asked is whether the generation of thermal power has been increasing in comparison to the

generation of hydel power; if so, the reasons therefor.

Now, we have stated three main reasons for addition of more thermal capacity as compared to the hydel capacity. These are three inherent difficulties in putting hydel as compared to thermal. These difficulties do not exist to the same extent in thermal projects. Now, one of the reasons we have stated in the end is that special efforts are also being made to attract private investment in hydro power sector. I have not stated that these three difficulties will be eliminated if the private sector is brought in. In answer to part (d) we have stated that as an additional information.

[Translation]

SHRI LALIT ORAON: Mr. Speaker, Sir, my first question has not been replied satisfactorily. My second question is what Government have decided so far to resolve the problems relating to land acquisition, rehabilitation and resettlement as mentioned in his reply?

[English]

SHRI N.K.P. SALVE: Sir, in answer to part (d) of the question we have stated the measures proposed to be taken to increase the hydel generation. We have given the specific answer.

The measures taken include — creation of Central and Joint Sector Corporations like NHPC, NEEPCO, NJPC and THDC; providing funds for hydro projects through external assistance like World Bank, OECF and bilateral agreements; preparation of a shelf of hydro projects and enhancing the financial limits of the State Governments for investment decision. And now special efforts are also being made to attract private

investment in hydro power sector.

SHRI D. VENKATESWARA RAO: Sir, the present generation capacity of hydro and thermal power stations is about 76,000 MWs in the country. The Eighth Plan envisages an additional power generation of about 48,000 MWs. What measures has the Government taken to supplement this? Only an amount of Rs. 70,000 crore was allocated during the Eighth Plan whereas the requirement is around Rs. 2,00,000 crore. The estimated cost of a megawatt of thermal power generation is around Rs. 2 crore to Rs. 3 crore. Some States are resorting to pay an estimated cost of Rs. 6.5 crore to produce one megawatt of power through the private sector. In respect of Krishnapatnam in Andhra Pradesh, an amount of Rs. 6,500 crore has been estimated for the generation of 1,000 MWs of power and this has been allotted to the private sector. I would like to know whether the Government would enquire into this matter and bring down the cost of the production.

SHRI P.V. RANGAYYA NAIDU: Mr. Speaker, Sir, it is estimated that at the end of the Eighth Five Year Plan, the total capacity of power generation in this country will be in the order of 88,872 MWs including hydel, thermal and nuclear. It is a fact that the requirements are much more which will be in the order of about 1,20,000 MWs. It is expected that there will be a gap of 30,000 MWs to 32,000 MWs between the supply and demand. We are making efforts to bridge this gap by bringing in additional investment from outside, by improving the plant load factor in the existing plants, by reducing the transmission and distribution losses and by taking up energy efficiency methods. This gap between the demand and supply is likely to persist for some more years, but efforts are being made to bridge this gap as much as possible.

With regard to his second supplementary regarding Krishnapatnam, we have not yet received the detailed project report from the State Government and as such I cannot comment on it. As and when it comes, it will be duly examined by the Central Electricity Authority and we will take appropriate action.

[*Translation*]

SHRI NITISH KUMAR: Mr. Speaker, Sir, in his reply the Hon. Minister has rightly mentioned that problems relating to environmental clearance, land acquisition, rehabilitation and resettlement come in the way of hydro-power generation. All these things of the Government and owing to these reasons many hydro-power projects are delayed for long time. Due to this many projects are lying pending. What measures Government propose to take to avoid delay in the execution of these projects?

There is one vital point in it that the ratio of the hydro-power and thermal power generation should be 70:30. But from the figures given here it appears that the hydro-power generation has constantly been coming down after the Sixth Five Year Plan and it has fallen to 26 per cent. Taking this position into consideration, what measures Government propose to take to avoid this delay? Many environmentalists have suggested to set up mini hydel projects in place of big ones. Does the Government propose to set up mini hydro-power plants to increase the hydro-power generation?

[*English*]

SHRI P.V. RANGAYYA NAIDU: Mr. Speaker, Sir, it is a fact that some of the projects are held up for want of various types of clearances particularly Environmental and Forest clearance. It is, as you all know very

well, the policy of the Government to see that whenever any project is constructed, it does not affect the environment in that area adversely. It is a very important factor and we cannot overlook that. So, the Ministry of Environment is examining these projects very carefully and they are suggesting certain corrective steps also. So, it is not as though this has reached an impasse. The State Governments have to take such steps as the Environment Ministry would like them to take to avoid subsequent adverse effects. Even the World Bank and other funding agencies also sometimes will not fund the projects unless the environment clearance is given to the project. Most of them are State projects. We are also pursuing the matter with the Ministry of Environment and Forests to expedite the clearance.

The other thing is rehabilitation and relief. That also is being tackled by the State Governments and that will also be solved soon and the projects will be started. Some of the projects are also on-going projects. It is not as though they have not taken care off but some of the problems are persisting.

#### **Bailadila Mines**

\*384. SHRI INDRAJIT GUPTA:  
SHRI V. SREENIVASA  
PRASAD:

Will the Minister of STEEL be pleased to state:

(a) whether attention of the Government has been drawn to the news-report appearing in the 'Business Standard', New Delhi, dated July 23, 1994 under the caption "Bailadila mine to be sold to Essar or Nippon Denro";

(b) if so, the details of the proposed joint sector project for the development of the