

SHRIMATI SUSHMA SWARAJ : Mr. Speaker, Sir, I did not say that there is no discrimination, rather I said that urban and rural background is not the basis of selection. Therefore, it is not correct to say that discrimination is being done. But the thing which you have said that whether I will convey this to Prasar Bharati, I will certainly say this and the Government will convey the sentiments of the House.

Power Generation

*464. SHRI SURESH CHANDEL :
SHRI NARENDRA BUDANIA :

Will the Minister of POWER be pleased to state:

(a) the targets fixed for power generation in MWs in the country during the Ninth Five Year Plan, State-wise;

(b) whether adequate allocation has been made to achieve the said targets;

(c) if so, the details thereof, State-wise;

(d) whether the Government have sought any external assistance in this regard;

(e) if so, the details thereof;

(f) whether the Government propose to promote captive power plants in the country for the betterment of power supply in the industrial sector; and

(g) if so, the details thereof?

[English]

THE MINISTER OF POWER (SHRI P.R. KUMARAMANGALAM) : (a) to (g) : A statement is laid on the Table of the House.

Statement

(a) to (c) The physical and financial targets for the Ninth Plan have as yet not been finalised.

(d) and (e) Negotiations for external assistance for schemes in power sector is an ongoing process. Details of the major new schemes to be undertaken in the Ninth Plan for which negotiations are being held are as follows:

Projects under consideration by World Bank and Asian Development Bank

| Sl. No. | Name of the Project | Executing Agency |
|-------------------|--|------------------|
| World Bank | | |
| 1. | Time slice loan for trans network (NE Sasaram HVDC link, CEPA etc.) | POWERGRID |
| 2. | 2nd Tranche of time slice loan (Talcher II) | NTPC |
| 3. | Loan for reforms and restructuring Rajasthan State Electricity Board | RSEB |
| 4. | Loan for reforms and restructuring of Andhra Pradesh State Electricity Board | APSEB |
| 5. | Loan for reforms and restructuring of Karnataka Electricity Board | KEB |
| 6. | Line of Credit for PFC | PFC |
| ADB | | |
| 1. | Reforms & Restructuring assistance for M.P. | M.P. |
| 2. | Reforms & Restructuring assistance for Gujarat | Gujarat |
| 3. | Loan for Powergrid | POWERGRID |

Projects short-listed for OECF. Japan under 1998-99 loan package.

| Sl. No. | Name of the Project | Executing Agency |
|---------|--|------------------|
| 1. | Bakreshwar Thermal Project Units 1 & 2 (III Tranche) | WBPDCL |
| 2. | Bakreshwar Thermal Project Unit 3 (II Tranche) | WBPDCL |
| 3. | Faridabad Gas Based project II Tranche | NTPC |
| 4. | Simhadri Thermal Project II Tranche | NTPC |
| 5. | Western Yamuna Hydro Electric Project | HSEB |
| 6. | Haryana Transmission Line Project | HSEB |
| 7. | Talcher II HVDC project | POWERGRID |

(f) and (g) The State Governments have been advised to create appropriate institutional mechanisms which allow captive power units an easy and automatic entry, by quickly clearing captive power applications and giving such units a rational tariff for purchase of power by the grid and third party access for direct sale of power to other industrial units.

[Translation]

SHRI SURESH CHANDEL : Hon'ble Speaker, Sir, through you I would like to know from Hon'ble Minister the time by which annual and financial targets of the Ninth Five Year Plan will be finalised?

Sir, second thing which I want to say is that many States are reeling under power crisis. Even today 25% of total power is generated through hydro-electricity. There is tremendous potential for hydro-electricity in States like Himachal Pradesh. About 22,000 MW of electricity can be generated there. But due to paucity of funds this could not be achieved. I would like to know from Hon'ble Minister whether in the Ninth Five Year Plan Government is considering to give liberal assistance to Himachal Pradesh for the production of hydro-electricity.

[English]

SHRI P.R. KUMARAMANGALAM : Mr. Speaker, Sir, the Ninth Plan would be finalised only after a Plan meeting takes place. At the moment, we are moving on what is called 'working assumptions'. Under the working

assumptions, it is our plan that there should be an additional capacity generation of 40,222 MW added in the Ninth Plan.

With regard to the situation of the imbalances between the thermal and hydel power, it is true that the hydel capacity today is only 25 per cent of the capacity being produced. Normally, it is said that to have a proper balance, we should have 40 per cent hydel capacity because hydel capacity provides the peaking power. Himachal Pradesh does have a tremendous potential of hydel. We will be soon coming out with a hydel policy which, I shall assure the hon. Member, would be targeted towards encouraging hydel generation projects to come up.

MR. SPEAKER : The hon. Member is not putting his second supplementary question. Now, Shri Narendra Budania.

[Translation]

SHRI NARENDRA BUDANIA : Mr. Speaker, Sir, Hon'ble Minister has said that in Ninth Five Year Plan, new power generation schemes will be launched. Improvement and restructuring of Rajasthan State Electricity Board is mentioned in the projects under consideration by World Bank and Asian Bank. I would like to know how much loan is proposed for this improvement and restructuring? What items of work have been included in the improvement of Rajasthan State Electricity Board and what benefits are likely to be accrued

after the proposed improvement and restructuring. What will be the effect on consumers after the loans are received and improvement made? I have heard that the rates of electricity are going to be increased due to which specially farmers will not be able to use electricity. I would like to know from the Hon'ble Minister whether any way-out has been found for providing electricity at cheaper rates to the farmers?

[*English*]

SHRI P.R. KUMARAMANGALAM : Sir, his question covers a number of areas. I would like to inform him that the total amount of mega-wattage of additional capacity that we have planned in the working assumptions of Ninth Plan for Rajasthan is 1930 of which, coal is 500 MW and liquid fuel is 1430 MW. There are 18 projects in total.

With regard to the second part of his question, that is, the price of power going up, it is a natural phenomenon if one looks at a couple of things put together.

One of them is the exchange rate which is changing.

Second, the cost of fuel is going up. That is the major problem that we are facing is that of thermal power. With thermal power, our major problem is that the cost of fuel goes up and, therefore, the cost of power goes up. But it is my belief that it will not go up to the extent as predicted often. It would be very much in ratio with increase in the exchange rate and the normal inflation.

[*Translation*]

SHRI NARENDRA BUDANIA : Mr. Speaker, Sir, I had asked my question in three parts but the Hon'ble Minister has given partial reply of one part. The Hon'ble Minister has not uttered a single word about the most important part of my question with regard to Rajasthan State Electricity Board. I want that Hon'ble Minister should give complete reply to all my Questions?

[*English*]

MR. SPEAKER : Would you like to respond, Mr. Minister?

SHRI P.R. KUMARAMANGALAM : There are three parts of his question. The first part was RSEB which I have skipped. I will ask the hon. member to forgive me for that. There is a reform programme which the RSEB is going through, with the type of restructurisation, bicorporation, and commercialisation. They are also going in for privatisation partly by competitive methods in generation. They are also having plans for distribution

and privatisation. They have decided to go in for independent regulation of transmission and distribution. It is my confirmed belief that an independent regulator would ensure that the consumers' point of view of cost of power is maintained and I can assure him that these steps have been taken. In fact, a new company by the name of Rajasthan State Electricity Corporation was incorporated on the 24th January, 1997 and RSEB will be a vertically integrated power utility discharging the functions of generation, distribution and supply. They have taken various steps, and the World Bank has proposed a loan assistance of US dollars of 600 million over a period of five years, and the loan may be disbursed in four phases, subject to the Government of Rajasthan fulfilling the various conditionalities.

SHRI ARIF MOHAMMED KHAN : The hon. Minister has stated that physical and financial targets for the 9th Plan have not been fixed as yet. Will the hon. Minister be pleased to state the projections of the Power Survey Committee about the requirement for additional capacity during the 9th Plan, and the kind of shortages which we are facing. In view of the shortages, I would like to know whether there is any proposal to reserve the entire gas which is being generated and which is available in the country, for power generation?

SHRI P.R. KUMARAMANGALAM : The working assumptions that have been made for the periods 1997-98 to 2001-02, that is the 9th Plan, envisage a capacity addition of 40,225 MW as stated by me earlier. This comprises about 11,000 MW in Central sector, 17,589 MW in private sector, and about 10,747 MW in State sector. It is expected that if we achieve these targets only by capacity addition, we should be able to reduce the gap of shortages to 1.4 per cent on account of base load and about 11.6 per cent on account of peak shortages which, I am confident, will be up by improving efficiency both in transmission as well as plant load factor.

SHRI ARIF MOHAMMED KHAN : Is there any proposal with regard to available gas?

SHRI P.R. KUMARAMANGALAM : With regard to gas, I want to assure the hon. member that the power projects are receiving the first priority in so far as allocation of gas is concerned.

[*Translation*]

SHRI MAHESHWAR SINGH : Mr. Speaker, Sir, it is a matter of regret that the country is facing acute power shortage though we have capacity to generate electricity through hydel electricity projects in hilly States of the country. For instance, Hon'ble M.P. Shri Suresh Chandelji has said that Himachal Pradesh alone is capable of

producing 20,000 MW of electricity. But due to limited means and paucity of funds full capacity is not being exploited. Through you, I would like to know from Hon'ble Minister whether the Government would provide more financial assistance for the purpose of generation more electricity through hydro-electric projects in such hilly states? Has the Government of India formulated any plan for this purpose and what are the names of hydel power projects for which the Government of Himachal Pradesh have requested to provide financial assistance and the projects for which the Government of India have accorded its approval?

[English]

SHRI P.R. KUMARAMANGALAM : I think I should inform my hon. friend that this year, we have increased the net budgetary support for the Central PSUs for Hydro Projects to Rs. 4211 crore. The Central Plan Assistance to the State Sector Projects is Rs. 4000 crore. It is not only that we have given additional PFC loan at subsidised interest. The subsidy alone works out to Rs. 200 crore this year. We are starting Advance Action Plan for the Tenth Plan also. Actually we have now cleared 13 projects at the CEA level which amount to about 5051 megawatt. We are updating the DPRs and obtaining clearances for another 10,000 megawatt. The truth is that we are also initiating an idea of National Hydro Development Fund. We are encouraging Inter-State Projects.

Recently, I had been to Himachal Pradesh and had discussions with the officers and the Chief Minister. Along with me, an Inter-Ministerial Group of officers went. We had very satisfactory discussions. In fact, with regard to the long-pending projects which the Himachal Pradesh Government could not take up due to financial constraints, the Central Government has agreed, through the National Hydro Power Corporation, to take them up starting from Chamara-II to Parvati. In fact, in regard to Kol Dam, discussions are taking place. If the existing private bidder does not agree, the NHPC will take up that also. I can assure the hon. Member that by the Tenth Plan, we should be able to exploit substantially the resources of hydro power in Himachal Pradesh.

SHRI A.C. JOS : If you go through the List of Projects for which the Government have sought external assistance, it is very difficult to get. I would like to know from the hon. Minister one thing.

Kerala State is a State which is deficits in power and really it is crying for power. We are making all-out efforts for generating power and making our transmission much more streamlined. I would like to know from the Government whether the State Government of Kerala has submitted any scheme which is capable of receiving

external assistance. If not, will the Government be pleased to consider augmentation of the Kayamkulam Thermal Project for which an application has been submitted by the Kerala Government?

SHRI P.R. KUMARAMANGALAM : With regard to the State of Kerala, I must go on record to say that the Kerala State Electricity Board is one of the quite professionally-run Electricity Boards. Even with regard to subsidies, in fact, it is one of the most interesting case studies. They give the subsidy directly to the consumers and the consumers pay the fair rate for power—whether it is agriculture or otherwise. We have decided to increase the capacity of the Kayamkulam Project to 2000 megawatts. I think the hon. Member will be pleased to hear that. ...*(Interruptions)*

SHRI A.C. JOS : About external assistance, I would like to know whether any application has been submitted by the State Government or not. ...*(Interruptions)*

MR. SPEAKER : There is no time.

SHRI P.R. KUMARAMANGALAM : At the moment, I do not have that information. According to my knowledge, it is not there. ...*(Interruptions)*

MR. SPEAKER : Shri Basu Deb Acharia, you have to put only a pointed supplementary.

...*(Interruptions)*

SHRI BASU DEB ACHARIA : The total capacity of power generated today in the country is only to the extent of 86,000 megawatt. After fifty years of independence, only 30 per cent of the population is converted. I would like to know from the hon. Minister one thing. In order to equipment rural electrification, there was a proposal to set up a National Rural Energy Corporation.

12.00 hrs.

I would like to know whether the Government is actively considering to constitute a National Rural Energy Corporation. There was a hydel project also namely, Telpur Project in the Damodar Valley Corporation which was stopped in the year 1996 by spending Rs. 12 crore. May I know from the hon. Minister whether the Government is considering restarting the Project by spending another Rs. 50 crore to generate 40 megawatt of power?

MR. SPEAKER : Mr. Minister, only pointed reply is allowed.

SHRI P.R. KUMARAMANGALAM : Sir, what he really wants to hear is about the Telpur Dam. I wish to assure the hon. Member that the earlier decision of the Expert