

- (b) if so, the details thereof;
- (c) whether the Government also propose to set up high level Experts Committee to suggest appropriate and transparent Tender System;
- (d) if so, the details thereof; and
- (e) the steps taken/proposed to be taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF SURFACE TRANSPORT (DR. DEBENDRA PRADHAN) : (a) to (e) Information is being collected and will be laid on the table of the Lok Sabha.

Modernisation of Telephone Exchanges

2960. SHRI S. SUDHAKAR REDDY: Will the Minister of COMMUNICATIONS be pleased to state :

- (a) whether 26 telephone exchanges in Hyderabad city have been modernised in January 1999;
- (b) if so, the details thereof,
- (c) the time by which the other exchanges are likely to be modernised?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI KABINDRA PURKAYASTHA) : (a) and (b) No, Sir. No exchange has been modernised during January 1999 in Hyderabad city. However, all the telephone exchanges in Hyderabad city except 10,000 lines electromechanical exchange working in Charminar area, have been modernised by 31.12.98.

(c) Electromechanical exchange working in Charminar area is likely to be replaced by digital electronic exchange during 1999.

Mega Power Policy

2961. SHRI U. V. KRISHNAMRAJU :
SHRI JAYARAMA I. M. SHETTY :

Will the Minister of POWER be pleased to state :

- (a) whether the attention of the Government has been drawn to the news-item captioned "Mega power policy draws flak" appearing in the Statesman, dated January 28, 1999;
- (b) if so, whether the mega power policy of the Government has been criticised recently in a seminar held at Chennai recently;
- (c) if so, the facts and details thereof; and
- (d) the steps taken/proposed to be taken by the Government to formulate a clear cut mega power policy?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R.KUMARAMAN-GALAM) : (a) and (b) The mega power project location, tariff and level playing field issues were raised in the seminar.

(c) and (d) As per the mega power policy announced in November, 1998, some multistage mega project sites have been identified to be set up both in the public as well as private sector. These projects are expected to be low tariff projects due to the following reasons:-

- (i) The projects identified under this policy are being given certain concessions which include exemption from customs duty for import of capital equipment, deemed export benefit to the indigenous manufacturers of equipment for these projects and higher tax benefits.
- (ii) The policy stipulates that the principles of competitive tariff bidding would be adhered to as far as possible. which would lead to lower tariffs.
- (iii) Power from the mega projects in the private sector would be purchased by a Power Trading Corporation (PTC) established for this purpose, and sold by the PTC to the concerned beneficiary States. Security to the PTC would be provided by means of a Letter of Credit and recourse to the State's share of Central Plan Allocations and other devolutions. This kind of a mechanism will reduce the risk regarding payments to the project developer and would bring down the tariff.
- (iv) Location of mega projects near ports or pit-head, economies of scale due to size, optimal inter-State transmission system etc. would also bring down tariffs from mega projects.
- (v) Identification of the mega project sites and formulation of the policies has been done after detailed deliberations among the different agencies of State and Central Governments.

LNG Project by Petronet LNG Corporation

2962. SHRI T.R. BAALU :
SHRI LAKSHMAN CHANDRA SETH :

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

- (a) whether the Government are monitoring various LNG projects being implemented by the Petronet LNG Corporation;
- (b) if so, the details thereof;
- (c) whether the Government have a time bound programme for the completion of these projects;
- (d) if so, the time by which these projects are likely to be completed;