

**GOVERNMENT OF INDIA
ATOMIC ENERGY
LOK SABHA**

UNSTARRED QUESTION NO:3260
ANSWERED ON:04.02.2004
REDUCTION OF TARIFF BY NPC
YEMPARALA VENKATESWARA RAO

Will the Minister of ATOMIC ENERGY be pleased to state:

- (a) whether the Nuclear Power Corporation proposes to reduce tariff to the State Electricity Boards;
- (b) if so, the details thereof; and
- (c) by when it is likely to be implemented?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTIC PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE DEPARTMENT OF ATOMIC ENERGY, MINISTER OF ST THE DEPARTMENT OF SPACE AND MOS IN THE MINISTRY OF COMMERCE AND INDUSTRY (ADDITIONAL CHARGE)
S.B. MOOKHERJEE:

(a) Yes, Sir.

(b) & (c) The tariff reduction measures include:

- Discontinuation of Research and Development (R&D) Levy
- Discontinuation of Renovation and Modernisation (R&M) Levy
- Review of Heavy Water Pricing
- Pre-payment of Government loans

The notifications, in respect of the above, have recently been issued by the Government of India. The likely impact of the above measures in reduction of nuclear power tariffs is about 27 Paise/kWh on an average. In addition, the proposal for reduction of the rate of depreciation is also under consideration. The expected reduction on this account would be about 12 to 26 Paise/kWh depending upon the station.