

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2576
ANSWERED ON:18.08.2006
MINI HYDEL POWER PROJECTS
Vijayashankar Shri C.H.

Will the Minister of POWER be pleased to state:

- (a) whether there is severe power crisis all along the country which is hampering the agricultural productivity;
- (b) if so, the measures taken/proposed to be taken by the Government to overcome this situation;
- (c) whether the Government is contemplating any supportive measure such as subsidy, interest free loan etc., to set up mini hydel projects or wind power projects; and
- (d) the number of proposals pending in MNES/IREDA for setting up of such projects?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) : There has been overall shortage of power in the country. The shortages vary from state to state, season-to-season, month to month, day-to-day and hour-to-hour basis depending on the demand and availability of power. The average energy and peak shortages in the country during the period April to July, 2006 was 8.7% and 12.8% respectively. The supply and distribution of electricity to the consumers in various sectors (including agriculture) in a State is the responsibility of the concerned State Government / State Electricity Board / State Power Utility, which decides priority of power supply to various categories of consumers.

(b) : Following measures have been taken by the Government to bridge the gap between demand and supply of power :

- Quantum jump in generation capacity addition.
- Enhancement in central plan outlay.
- Advance planning of generation capacity addition during 11th Plan.
- Strengthening/augmentation of sub-transmission & distribution system in States under Accelerated Power Development & Reforms Programme (APDRP) as a major step towards reduction of Aggregate Technical & Commercial (AT&C) Losses.
- Expediting rural electrification programme in the country under Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY).
- `Partnership in Excellence` Programme for adoption of better operation and maintenance (O&M) practices to enable enhancement of Plant Load Factor (PLF) of existing thermal power stations upto national average.
- Renovation, modernization and life extension of old and inefficient generating units with interest subsidy on loans by the Power Finance Corporation under Accelerated Generation and Supply Programme (AG&SP).
- Enhancement of inter-state and inter-regional transfer of power by strengthening of inter-state and inter-regional transmission links eventually leading to formation of National Grid.
- Exploitation of hydro potential at a faster pace.
- Promoting demand side management, energy efficiency and energy conservation measures.

(c) & (d) : As per Ministry of Non-Conventional Energy Sources (MNES), various incentives are being given to encourage development of small hydro power (SHP) projects in the country. These include support for Detailed Project Report preparation, subsidy to set up SHP projects, support for renovation & modernization of existing SHP projects and languishing projects. Support is also extended for development of water mills. No subsidy is given for wind power projects.

The project proposals for the grant of central financial assistance under various schemes/programmes of MNES are received on a regular basis. The complete proposals which are in line with the provisions of the schemes/programmes are considered and approved subject to budget provision.