

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:719  
ANSWERED ON:28.07.2006  
DEVELOPMENT OF HYDRO POWER PROJECTS BY PRIVATE SECTOR  
Saradgi Shri Iqbal Ahmed

**Will the Minister of POWER be pleased to state:**

- (a) whether the Government is finalizing new set of guidelines for development of hydro power projects over 100 MW by the private sector through competitive tariff based bidding;
- (b) if so, the details thereof;
- (c) whether the Government proposes to offer a series of run-of-the-river project for the development by the private sector; and
- (d) if so, extent to which it is likely to help in further improving the development of power projects in the country?

**Answer**

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b): Ministry of Power had issued guidelines in July 2002 to the State Governments that projects above 100 MW be awarded through the process of competitive bidding. No new set of guidelines have been announced. However, recently in July, 2006, the Ministry of Power has reiterated that the projects above 100 MW be awarded through process of tariff based competitive bidding. It has also been clarified that competitive bidding has to be on the basis of tariff in accordance with the provisions of the Electricity Act (2003), the Electricity Policy (2005) and the Electricity Tariff Policy (2006).

(c) & (d): It is expected that the Hydro Electric projects, including run-of-the river projects, would be offered to the private developers by the respective State Governments for expeditious development of hydel power potential in the country.