

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3437
ANSWERED ON:15.12.2006
SETTING UP OF SMALL HYDRO POWER PROJECTS
Patel Shri Kishanbhai Vestabhai;Singh Shri Sugrib

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes to bring uniform policy for development of Small Hydro Power Projects in the country;
- (b) if so, the details thereof;
- (c) whether some State Governments have shown their reservations towards the said policy;
- (d) if so, the details and the reasons therefor; and
- (e) the steps taken to resolve those issues?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : As per the Allocation of Business Rules, the development of Small Hydro Projects (SHPs) upto 25 MW is a subject allocated to the Ministry of New and Renewable Energy. The existing Hydro Policy, 1998 which was supplemented by the Electricity Act 2003, National Electricity Policy (2005) and Tariff Policy (2006) has adequate provisions for development of small hydro power projects. As per the said Policy, soft loans are provided for development of SHPs through Indian Renewable Energy Development Agency Limited/Power Finance Corporation Limited/Rural Electrification Corporation Limited. The Ministry of New and Renewable Energy has announced various financial incentives/subsidies for accelerated development of small hydro power projects upto 25 MW capacity. Further, 16 States have also announced policies for attracting private investment in small hydro power.

(c) : No, Sir.

(d) & (e) : Do not arise.