

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3895
ANSWERED ON:31.07.2009
PURCHASE OF POWER FROM PUBLIC SECTOR UNDERTAKINGS
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Will the Minister of POWER be pleased to state:

- (a) the names of private sector power companies which are purchasing power from the public sector undertakings like National Thermal Power Corporation Limited (NTPC) and National Hydro Power Corporation Limited (NHPC) at present;
- (b) the rate at which such companies are purchasing power as on date;
- (c) whether these private companies re-sale the power purchased from these undertakings at higher rates to the Union and State Governments when demand arises;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the steps taken or proposed to be taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI)

(a) & (b) : Distribution licensees, which include private sector companies like NDPL, BSES Rajdhani Power Limited, BSES Yamuna Power Limited, Tata Steel Company, Disergarh Power Supply Company (DPSCO) etc., purchase power from CPSUs like NTPC, NHPC, NEEPCO and DVC etc., at the rates fixed by the Central Electricity Regulatory Commission (CERC). A statement indicating the tariff for Thermal Generating Stations of NTPC, NLC and NEEPCO as on 31.05.2009 (in paise/kWh Ex-Bus) is at Annex-I. The tariff of Hydro Stations of NHPC, NHDC, THDC, SJVNL and NEEPCO is at Annex-II.

(c) & (d) : Distribution companies sell power to the consumers in their licensed area at the rates determined by the appropriate commission. However, short-term transactions in electricity are monitored by CERC. A statement indicating the short-term transactions during the period August, 2008 to April, 2009 is at Annex-III. The rate of such sale/purchase is not determined by CERC.

(e) : CERC has fixed a trading margin cap of 4 paise per unit for power trading. However, the long-term solution of this problem lies in enhancing the power generation capacity of the country to fully meet the growing demand of power. In view of this, a capacity addition target of 78,700 MW has been fixed for XI Five Year Plan of which 15,325 MW has been commissioned so far.