

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2138
ANSWERED ON:12.08.2011
RENOVATION OF POWER PLANTS
Khairi Shri Chandrakant Bhaurao

Will the Minister of POWER be pleased to state:

- (a) whether targets of renovation and modernization of power plants are not likely to be achieved by the end of the Eleventh Five Year Plan;
- (b) if so, the reasons therefor;
- (c) whether there has been delay in supplying equipment by several companies including Bharat Heavy Electricals Limited (BHEL) for the purpose;
- (d) if so, the details thereof; and
- (e) the corrective measures taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) & (b): As per information available with CEA, target for Renovation and Modernization (R&M) of power plants are not likely to be achieved by the end of the 11th Five Year Plan due to following reasons:

Poor financial condition of Generation Utilities.

Non availability of dedicated R&M team with most of the Generation Utilities.

Power deficits scenario does not permit utilities to take longer shut down for undertaking R&M works.

Delay in supplies of equipment by the suppliers.

Shortage of Balance of Plants (BOP) suppliers/contractors in the country.

Surprises, when the unit is opened up for carrying out the R&M works, new defects or damaged components are observed resulting in delay in procurement & rectification.

Delay in finalization of R&M contract.

(c) to (e): Delay in supplying equipment by several companies including Bharat Heavy Electricals Limited (BHEL) have been reported for implementation of R&M of power projects. The following measures are taken by the Government in this regard:

Regular review & follow up by the Ministry of Power and Central Electricity Authority (CEA).

Frequent site visit by CEA Engineers.

Providing technical input by CEA/NTPC Limited.

Making available funds as loan through Power Finance Corporation (PFC)/ Rural Electrification Corporation (REC).

Guidelines have been issued by CEA for speedy implementation of the R&M works.

Ministry of Power and CEA are working towards exploration/development for more number of vendors for taking up greater numbers of R&M works. Recently, several power equipments manufacturing companies like Doosan Heavy Industries & Construction, Korea, Alstom Power Limited, U.K. (with NASL, Joint Venture of NTPC Limited and Alstom), Toshiba, Japan, Dong Fang Electric Corporation, China, NASL, L&T etc. have shown interest for undertaking R&M works.