

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

STARRED QUESTION NO:334

ANSWERED ON:16.12.2011

ULTRA MEGA POWER PROJECTS

Naik Dr. Sanjeev Ganesh;Patil Shri Sanjay Dina

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

- (a) whether power purchase agreements for supply of electricity from Ultra Mega Power Projects have been signed with the respective States, project developers/companies and the power procuring utilities in the country;
- (b) if so, the details thereof;
- (c) whether the Government is aware that certain State Governments are facing difficulties in the implementation of the agreements, so signed;
- (d) if so, the details thereof; and
- (e) the corrective measures taken by the Government in this regard?

**Answer**

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO. 334 TO BE ANSWERED IN THE LOK SABHA ON 16.12.2011 REGARDING ULTRA MEGA POWER PROJECTS.

(a) & (b): Power Purchase Agreements have been signed for the awarded Ultra Mega Power Projects (UMPPs) at Sasan in Madhya Pradesh, Mundra in Gujarat, Krishnapatnam in Andhra Pradesh and Tilaiya in Jharkhand between the developer and the procurers. The details of procuring agencies for these projects is at Annex.

(c) & (d):

(i) Coastal Gujarat Power Ltd. (CGPL), the developer of Mundra Ultra Mega Power Project (UMPP), has approached this Ministry for its intervention to address the issue of increase in Indonesian coal price from where the company is sourcing its coal. Government of Gujarat has also requested to resolve the issue.

(ii) Central Electricity Authority (CEA) has informed that the work has been stopped by the developer of Krishnapatnam UMPP due to inter-alia, the increase in the prices of Indonesian coal. The State Government of Andhra Pradesh has requested this Ministry's intervention in this regard.

(e) : Since the Power Purchase Agreement (PPA) is a legally binding document exclusively between the procurer and the developer, the Ministry has advised the lead procurers i.e. Government of Andhra Pradesh for Krishnapatnam UMPP and Government of Gujarat for Mundra UMPP that any issue arising therein is to be settled within the provisions of PPA by the contracting parties for which the lead procurer is to take necessary action.