

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1283
ANSWERED ON:17.08.2012
PPAS IN POWER SECTOR
Nimmala Shri Kristappa

Will the Minister of POWER be pleased to state:

- (a) whether his Ministry is in the process of renegotiating the Power Purchase Agreements (PPAs) signed in the past to confer windfall gains to the private players;
- (b) if so, the details thereof;
- (c) the action taken/being taken by the Government against the officials who are aiding and abetting this activity by referring the issue to Central Electricity Regulatory Commission (CERC); and
- (d) the present status and role of his Ministry in the issue of renegotiation of PPAs signed in the past?

Answer

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

(a) : No, Madam.

(b) & (c) : Do not arise in view of reply at (a) above.

(d) : The concluded Power Purchase Agreements (PPAs) have been entered between the procurers (which are mostly State utilities) and developers of power projects (Independent Power Producers (IPPs)). These are legally enforceable contracts between the parties to be governed by the relevant provisions of the said contract and Ministry of Power is not a signatory to these PPAs.