

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3421
ANSWERED ON:31.08.2012
SPECIAL PACKAGE FOR POWER GENERATION
Naqvi Shri Zafar Ali

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes to provide a special package for promoting power generation by the private sector;
- (b) if so, the details thereof;
- (c) whether the Government proposes to formulate any policy for power tariff on the basis of per unit power generation cost; and
- (d) if so, the details thereof?

Answer

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

(a) & (b) : The Electricity Act, 2003 creates a conducive environment for investments in all segments of the industry, both for public sector and private sector, by removing barrier to entry in different segments. Government has no proposal to provide a special package for promoting power generation by the private sector. However, under the new Hydro Policy 2008 read with amendments in Tariff Policy 2006, the developers of Hydro electric Projects in the private sector have been extended the option to get the tariff determined by the Regulator under cost plus regime. This dispensation has been extended upto 31.12.2015.

(c) : No, Madam.

(d) : Does not arise in view of reply at (c) above.