

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:5796
ANSWERED ON:02.05.2013
POWER TARIFF
Choudhry Smt. Shruti

Will the Minister of POWER be pleased to state:

- (a) whether the private power generation companies have sought higher tariff for the power being generated by them;
- (b) if so, the details thereof; and
- (c) the action taken/proposed to be taken by the Union Government in this regard?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b): As per information made available by Central Electricity Regulatory Commission (CERC), the following generating companies have approached the Central Commission for relief on account of the escalation in international coal prices and the impact of the Regulation of the Government of Indonesia which required the long term fuel supply agreement for export of coal from the country to be aligned with the international price of coal:

- (i) Adani Power Limited.
- (ii) Tata Power Limited through its subsidiary Coastal Gujarat Power Limited.
- (iii) Reliance Power Limited through its subsidiary Coastal Andhra Power Limited.

In case of Adani Power Limited and Tata Power Limited, the Central Commission has issued orders, with dissent note by one member, directing the generating companies and the State Distribution Companies/State Governments to constitute a committee to suggest a compensation tariff which can be admissible over and above the tariff agreed to in the Power Purchase Agreements (PPAs) for the period of hardship on account of escalation in international coal prices.

(c) : The Power Purchase Agreements (PPAs) entered between the procurers (which are mostly state utilities) and developers of power projects (Independent Power Producers) (IPPs) are legally enforceable contracts between the parties and are governed by the relevant provisions of the said contract and Ministry of Power has no locus standi in this regard.