

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1148
ANSWERED ON:17.07.2014
RATIONALISATION OF COST OF ELECTRICITY
Antony Shri Anto ;Premachandran Shri N.K.

Will the Minister of POWER be pleased to state:

- (a) whether the Union Government has received proposals from Kerala to rationalise the cost of electricity produced by National Thermal Power Corporation Limited (NTPC) and if so, the details thereof and the action taken by the Government on the proposals and the present status thereof;
- (b) whether the Union Government proposes to ensure uniformity in the cost of electricity produced through coal, gas and naphtha by NTPC Ltd. and if so, the details thereof;
- (c) whether considering the precarious power position in Kerala, the Union Government proposes to take steps to apply the rates of coal-based power to the power generated by the NTPC units in Kerala and if so, the details thereof; and
- (d) whether the Government has taken note of the fact that higher cost of production is a major hurdle for naphtha based projects in maximizing their full potential in power generation and if so, the details thereof and the steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL AND NEW & RENEWABLE ENERGY (SHRI PYUSH GOYAL)

(a) & (b): Proposal from Kerala was received by the Ministry recently to introduce pooled tariff for power generated from NTPC plants. However, the same had already been examined and it was found that the proposal was not feasible as the states which are getting power at a price lower than the pooled price will not be agreeable to the proposal.

(c): No, Madam.

(d) : Yes, Madam. The Ministry of Power has already allocated 180 MW of cheaper coal based power from Talcher Kaniha-II (Odisha) to the State of Kerala for pooling with Kayamkulam (NTPC State in Kerala) power.