

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:4964  
ANSWERED ON:23.04.2015  
POWER TRANSMISSION PROJECTS  
Ram Mohan Naidu Shri Kinjarapu

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

- (a) whether the Government proposes to allow private companies to set up power transmission projects in the country;
- (b) if so, the details thereof, State-wise; and
- (c) mechanism laid down to control the functioning of such private sector companies?

**Answer**

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

(a) & (b) : Yes, Madam. Promotion of competition in the electricity industry is one of the key objectives of the Electricity Act, 2003. In pursuance to Electricity Act and with a view to attract private investment in transmission projects, Ministry of Power has notified 'Guidelines for encouraging competition in development of the Transmission Projects' and 'Tariff based Competitive bidding Guidelines for Transmission Service' in the year 2006. In accordance with these guidelines, Ministry of Power had constituted an Empowered Committee to identify inter-state transmission projects to be developed through competitive bidding and to oversee the process of competitive bidding. Since 6.1.2011, all the Inter State Transmission System (ISTS) are to be implemented through Tariff Based Competitive Bidding (TBCB) as given in Tariff Policy. The bidding is done project-wise (not state specific) in a transparent manner through the bid process coordinators {PFC Consulting Limited (PFCCL) or REC Transmission Projects Company Limited (RECTPCL)}. The details of allocation of transmission projects done through TBCB so far are given at Annex.

(c) : The monitoring of the projects, awarded through TBCB route, is being done by Central Electricity Authority. Further, Central Electricity Regulatory Commission (CERC) issues the license to the transmission service provider, a company selected under TBCB route, and the company has to operate as per condition of license. CERC has brought out regulations to ensure compliance of the Standard of Performance of the inter-state transmission licensees to provide efficient, reliable, coordinated and economical system of electricity transmission.