

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2303
ANSWERED ON:24.07.2014
PRIVATE SECTOR PARTICIPATION IN POWER SECTOR
Ering Shri Ninong

Will the Minister of POWER be pleased to state:

- (a) whether the Government has taken any initiatives to encourage the private sector participation in the power sector;
- (b) if so, the details thereof including the details of projects sanctioned for private sector companies during the last three years and the current year;
- (c) whether the Government has evolved any mechanism to exercise control on the functioning of such private sector companies; and
- (d) if so, the details thereof?

Answer

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

(a) : Yes, Madam. For the purpose of facilitating procurement of power through competitive bidding, the Government has issued guidelines for tariff based competitive bidding. The Standard Bid Documents for procurement of power under long term and medium term Power Purchase Agreements were issued for Case I and Case II bidding for the development of thermal power projects. Government of India has notified Hydro Power Policy in 2008, which also encourages private sector participation. For encouraging private sector participation in transmission, Govt. of India, inter alia, notified Tariff Policy on 6th January, 2006. Subsequently, the above provisions of the Tariff Policy have been modified vide resolution dated 8th July, 2011.

(b) : The details of the thermal power projects being developed through Case- II Tariff based competitive bidding projects totalling to 24,300 MW are attached at Annex-I. The details of hydro electric Projects in Private Sector concurred by CEA during last three years and the current year (2011-12 to 2014-15 up to June, 2014) are attached at Annex-II. The details of the transmission projects sanctioned for the private sector companies through TBCB route upto year 2013-14 are attached at Annex-III. The details of the transmission schemes which have been notified during the current year 2014-15 for implementation through the TBCB route is attached at Annex-IV.

(c) & (d) : The generation of electricity is de-licenced activity and the control is exercised through the determination of tariff by the Appropriate Commission. Transmission of electricity is a licenced activity. Therefore, the Appropriate Commission exercises control on the functioning of such private companies by laying down the conditions of licence under the Electricity Act, 2003.