

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1124
ANSWERED ON:01.03.2001
POWER TRADING CORPORATION
SADASHIVRAO DADOBA MANDLIK

Will the Minister of POWER be pleased to state:

- (a) whether the Government propose to set up Power Trading Corporation;
- (b) if so, the functioning of the Corporation;
- (c) whether such type of Corporations are working in other countries also; and
- (d) if so, the details of studies conducted by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : The revised mega power policy announced by the Government in 1998 envisaged establishment of a power trading company for purchase/sale of power from the identified mega power projects. Power Trading Corporation of India Ltd. (PTC) has been incorporated on April 16, 1999 with the major objective of buying power from mega power projects under long term Power Purchase Agreements (PPAs) and selling the power to the beneficiary States also under long-term PPAs. The Articles of Association of PTC, inter-alia, provide for purchase of power from Independent Power Producers, Captive Power Plants, generating companies/transmission companies, State Electricity Boards etc. and sale of the same to the above said agencies or the bulk consumers of power.

(c) & (d) : The concept of trading of power has already been introduced successfully in several countries like the USA, UK, Australia, Norway, Sweden, etc. No study has been commissioned or conducted by the Government of India in this regard.