

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1525
ANSWERED ON:02.12.2005
SETTING UP OF ULTRA MEGA POWER PROJECT
Chandrapan Shri C.K.;Reddy Shri Suravaram Sudhakar

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes to set up Ultra mega power projects in the country; and
- (b) if so, the details thereof and the locations identified for the purpose?

Answer

THE MINISTER OF POWER (SHRI P.M. SAYEED)

(a) & (b) : Section 63 of the Electricity Act, 2003 provides for the Regulatory Commission to adopt the tariff, if competitively determined. Pursuant to this, the guidelines for the competitive bidding process for procurement of power by distribution licensees has been issued by Ministry of Power on 19th January, 2005. In order to capture the benefits of economies of scale of large projects supplying power to numerous States, the Ministry of Power has now taken an initiative to facilitate setting up of ultra mega power projects having capacities of about 4000 MW at pithead/coastal locations. The selection of private developers will be through competitive bidding. In order to obtain responsive offers, it is envisaged to invite bids after bringing such projects to a stage of having major clearances and fuel tie up in place and also associate the power purchasers in the process.