

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:4439
ANSWERED ON:19.05.2006
SETTING UP OF POWER PROJECTS BY NHPC
Mehta Shri Bhubneshwar Prasad

Will the Minister of POWER be pleased to state:

- (a) whether the assurance given by the various State Governments for awarding contracts to National Hydro- electric Power Corporation for setting up projects was dishonoured without any valid reasons and those projects have been awarded to the private sector companies as reported in The Dainik Jagran dated April 14, 2006;
- (b) if so, the details thereof;
- (c) whether the Arunachal Pradesh Government has breached the contract with the NHPC in some projects;
- (d) if so, the details thereof;
- (e) whether the Government proposes to initiate any action regarding awarding of contracts meant for NHPC to the private sector companies;
- (f) if so, the details thereof; and
- (g) if not, the reasons therefor?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (d) : Siyom (Siang Middle) Hydroelectric Project (HEP) (1000 MW) and Siang Lower HEP were transferred by Government of Arunachal Pradesh on 22.3.2000 for execution by National Hydroelectric Power Corporation Limited (NHPC) in the Central sector. However, the Government of Arunachal Pradesh has since entered into a Memorandum of Agreement on 22.2.2006 for execution of these projects through private developers. In addition to these two projects, three other projects, viz. Tato-II HEP (700 MW), Naying HEP (1000 MW) and Hironong HEP (500 MW) for which the work of preparation of DPRs was entrusted to NHPC under the 50,000 MW Hydroelectric Initiative, have also been entrusted to private developers by the State Government. No reasons have been given by Government of Arunachal Pradesh for replacing NHPC by private developers for implementation of these projects. Except for Arunachal Pradesh, none of the projects allotted to NHPC by various State Governments have been awarded to private sector companies.

(e) & (f) : The State Government of Arunachal Pradesh has been requested to reconsider their decision of handing over the projects allotted to the Central Public Sector Undertakings (CPSUs) in the power sector to private sector companies.

(g) : Does not arise.