GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:135
ANSWERED ON:05.03.2010
POWER GENERATION EQUIPMENT
Bhoi Shri Sanjay;Botcha Lakshmi Smt. Jhansi

Will the Minister of POWER be pleased to state:

(a) the steps taken by the Government to check the cost of equipment required for Ultra Mega Power Projects (UMPPs) in the country;

(b) whether the Government proposes to undertake any structural changes in the policy regarding the import of power equipment in the country;

(c) if so, whether any proposal regarding the sourcing of the super critical equipment for UMPPs from domestic manufacturing sources is under consideration of the Government; and

(d) if so, the details thereof and the time by which it is likely to be finalized?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO.135 TO BE ANSWERED IN THE LOK SABHA ON 05-03-2010 REGARDING POWER GENERATION EQUIPMENT.

(a): The developer for the Ultra Mega Power Projects (UMPPs) are selected through Case-II international competitive bidding process conducted by the project-specific Special Purpose Vehicle (SPV) formed as 100% subsidiaries of Power Finance Corporation (PFC), the nodal agency for UMPP. At the end of the bidding process, the project is awarded to the identified developer, who quotes the lowest levellised tariff for power from the project. Thereafter, the developer is free to source the equipment for the project from anywhere. Further, the UMPPs are eligible for the benefits available to other mega power projects as per the Mega Power Policy.

(b): No, Madam.

(c) & (d): With respect to the matter regarding the sourcing of the supercritical equipment for Ultra Mega Power Projects (UMPPs) with Phased domestic Manufacturing Programme (PMP), a Committee under the Chairmanship of Member (Industry), Planning Commission has been set up for looking into the details and work out the modalities in this regard.