

12

STANDING COMMITTEE ON ENERGY

(2020-21)

SEVENTEENTH LOK SABHA

MINISTRY OF POWER

(Action-taken by the Government on the recommendations contained in the Forty-Third Report (16th Lok Sabha) on 'Hydro Power')

TWELFTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2021/ Phalguna, 1942 (Saka)

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STANDING COMMITTEE ON ENERGY
(2020-21)
(SEVENTEENTH LOK SABHA)

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**(Action-taken by the Government on the recommendations
contained in the Forty-Third Report (16th Lok Sabha) on 'Hydro Power')**

Presented to Lok Sabha on 19th March, 2021

Laid in Rajya Sabha on 19th March, 2021



LOK SABHA SECRETARIAT
NEW DELHI

March, 2021/ Phalguna, 1942 (Saka)

COE NO. 327

Price: Rs.

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Sixteenth Edition) and Printed by_____.

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COMPOSITION OF THE STANDING COMMITTEE ON ENERGY (2020-21)		
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31.	Vacant #	
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3.	Shri Kulmohan Singh Arora	Additional Director
4.	Smt. L.N. Haokip	Deputy Secretary
5.	Shri Subhash Chand	Assistant Committee Officer

^ Nominated as Member of the Committee w.e.f. 28.12.2020

* Vacant vice Shri Javed Ali Khan retired from Rajya Sabha on 25.11.2020

Vacant since constitution of the Committee.

INTRODUCTION

I, the Chairperson, Standing Committee on Energy, having been authorized by the Committee to present the Report on their behalf, present this Twelfth Report on the action-taken by the Government on the recommendations contained in the Forty-Third Report of the Standing Committee on Energy on the subject 'Hydro Power'.

2. The Forty-Third Report was presented to the Lok Sabha on 4th January, 2019 and was laid on the Table of the Rajya Sabha on the same day. Replies of the Government to all the recommendations contained in this Report were received on 10th May, 2020.

3. The Report was considered and adopted by the Committee at their sitting held on 18th March, 2021.

4. An Analysis of the Action Taken by the Government on the recommendations contained in the Forty-Third Report of the Committee is given at Appendix-II.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.

**New Delhi
18th March, 2021
27 Phalguna, 1942 (Saka)**

**Shri Rajiv Ranjan Singh *alias* Lalan Singh,
Chairperson,
Standing Committee on Energy**

CHAPTER -I

This Report of the Standing Committee on Energy deals with Action-taken by the Ministry of Power on the Recommendations/Observations contained in the Forty-Third Report (Sixteenth Lok Sabha) of the Committee (2018-19) on the subject 'Hydro Power'.

2. The Forty-Third Report was presented to the Lok Sabha on 4th January, 2019 and was laid on the Table of the Rajya Sabha on the same day. The Report contained 16 Recommendations/Observations.

3. Action-taken notes in respect of all the Recommendations/Observations contained in the Report have been received from the Government. These have been categorized as follows:

- (i) Recommendations/Observations which have been accepted by the Government:
Serial Nos. 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15 and 16.

Total - 15
Chapter-II

- (ii) Recommendation/Observation which the Committee do not desire to pursue in view of the Government's replies:
- Nil -

Total - 00
Chapter-III

- (iii) Recommendations/Observations in respect of which the replies of the Government have not been accepted by the Committee and which require reiteration:
Serial No. 8.

Total - 01
Chapter - IV

- (iv) Recommendations/Observations in respect of which the final replies of the Government are still awaited:
- Nil -

Total - 00
Chapter-V

4. The Committee observe that the 43rd Report (16th Lok Sabha) on “Hydro Power” pertaining to the Ministry of Power was presented to Lok Sabha on 4th January, 2019 and was laid on same day on the Table of Rajya Sabha and the Ministry was required to submit the action-taken reply on the Recommendations/Observations contained in the Report within a period of 3 months i.e. by 3rd April, 2019. The Committee however observe that the Ministry has submitted the requisite action-taken reply on 10th May, 2020 after a delay of 13 months. The Committee deplore the abnormal delay on the part of the Ministry in submission of action-taken replies to the Committee. The Committee while expressing their displeasure advised the Ministry to be extra cautious and vigilant in timely submission of the replies to the Committee. The Committee also desire that necessary instructions be issued to all concerned in the Ministry to strictly adhere to the time line for responding to the Committee in future.

5. The Committee further desire that the Action-taken statement on the observations/recommendations contained in Chapter-I of this Report be furnished to the Committee within three months of the presentation of this Report.

(Recommendation No. 1)

6. The Committee had noted as under:

“The Committee note that as per the present policy, hydro power plants upto 25 MW capacities are considered as renewable energy sources and are under the purview of the Ministry of New and Renewable Energy, whereas, hydro power plants having capacities more than 25 MW are considered conventional energy source and are dealt with by the Ministry of power. The Committee, during the examination of the subject found no logic behind segregation of hydro power into renewable energy and conventional energy on the basis of its capacity. It had been learnt that hydro power is a clean and green source of energy and as compared to conventional thermal power source, have negligible carbon foot prints. The Committee note that the Green House Gas Emissions from Hydro Power is 4-10 gram CO₂/kWh which is even lesser than that from Solar Power i.e. 38 Gram CO₂/kWh. In case of coal based thermal power it is 957 Gram CO₂/kWh.

Even, the Ministry of Power, in regard to such segregations of hydro power on the basis of its capacity have stated that all hydro projects are traditionally renewable in nature. Since Hydro Power projects up to the capacity of 25 MW stands allocated in Ministry of New and Renewable Energy (MNRE) (Initially Ministry of Energy, later bifurcated to Ministry of Non-Conventional Energy Sources, which was finally renamed as MNRE in 2006), only these are categorized as renewable energy source. Thus, the categorization was on the basis of allocation of work and not on the renewable nature of source. In regard to declaring all hydro as renewable, they have stated that one of the measures formulated by Ministry of Power in the proposal for “Revival of Hydro Power Sector” include declaring all

hydro projects as renewable irrespective of their size and capacity. The proposal is presently under advanced stage of inter-ministerial consultations. During the examination of the subject, the Committee found that declaration of all types of hydro as renewable energy source is the common and long standing demand of the State Governments/Project Developers. The Committee also find this demand genuine and logical, therefore, they strongly recommend that all type of hydro power should be categorized as renewable source of energy as soon as possible. The proposal in this regard which is under inter-ministerial consultations should be expeditiously finalized.”

7. The Ministry of Power, in its Action-taken reply, has stated as under:

“Ministry has noted the suggestion of Hon'ble Committee. On 8th March, 2019, Government has approved certain measures including categorization of Large Hydro Projects as renewable energy.”

8. The Committee had observed in their original Report that declaration of all types of hydro power projects as Renewable Energy sources is the common and long standing demand of the State Governments and the project developers and this demand was genuine and logical. As had been informed to the Committee by the Ministry that one of the measures formulated by the Ministry of Power on “hydro power sector” included declaring of hydro projects as Renewable Energy source irrespective of their size and capacity and this proposal was under advance stage of Inter-ministerial consultations at that time. From the reply now submitted by the Government in respect of the recommendation, the Committee observe that the Ministry has noted the suggestion and has informed that certain measures including categorization of large Hydro Projects as Renewable Energy have been approved by the Government on 08.03.2019. The Committee note that though the suggestion as given by the Committee has been noted by the ministry but it does not elaborate further as to what precise action has been taken by the Ministry subsequently to implement the recommendation of the Committee. As had already been pointed out that the Hydro Power is a clean and green source of energy as compared to Conventional Power Sources and therefore there is no logic behind segregation of hydro power under Renewable and Conventional sources of energy on the basis of its capacity. The Committee are therefore of the strong view that such distinction need to be removed and entire hydro power irrespective of the size and capacity should be categorized as Renewable Source of Energy at the earliest. The Committee further desire that the ministry should complete all the procedural formalities in a time-

bound manner and declare the hydro power as Renewable Energy for the larger interest of the Energy sector.

(Recommendation No. 6)

9. The Committee had noted as under:

“The Committee note that a typical hydro station is financed based on the debt/equity ratio of 70:30. The 30% equity has to be managed by developers either from own resources or from public/private placement including IPO. The 70% loan can be taken from various sources like Scheduled Commercial Banks, Non-Banking Financial Institutions or issue of Bonds. The foreign loan is generally available from institution like World Bank, Asian Development Bank (ADB) etc. and is generally availed by PSUs/CPSUs as Government of India’s Guarantee is required for this. The Committee further note that despite the long life hydro power projects, only short tenure loans are being sanctioned for them. Since the loan amount has to be repaid in the 10-12 years, it leads to significant increase in tariff during the initial years. Moreover, due to uncertainties involved in development of hydro power projects, not many banks/ institutions are keen to finance these projects. The higher interest rate charged on the loan further aggravates the problem of higher tariff of hydro power.

The Committee also note that considering the interest rate of 10% for a typical hydro project with a capital cost (including Interest During Construction IDC) of Rs. 10 crore/MW, the first year tariff and levelised tariff works out to around Rs. 6.60/kWh. &Rs. 6.00/kWh respectively. If interest rate reduces by 4% (either through subvention or by other means), the capital cost of the same project would be reduced to Rs. 9.2 crore/MW due to reduction in IDC component. With this, the first year and levelised tariff would come down to about Rs. 5.35/kWh and Rs. 5.15/kWh respectively. Thus, cheaper financing is the major factor in enhancing the viability of hydro projects. The Committee also note that out of 16 stalled hydro power projects, 10 are stalled due to financial constraints. The Committee are of the view that long term loan at cheaper interest rate is the key to hydro power viability. The Ministry have stated that recently, Government financial institutions like Power Finance Cooperation (REC) have started to provide financing of loan for tenure more than 20 years. It has been further stated that the Ministry is engaging with Bankers and Financial Institutions to make low cost funding available for Hydro developers. The Committee welcome this step as they have long been pressing for it. The Committee, therefore, desire that the long tenure finances at cheaper rate should be provided to all the hydro power projects. The Government should also make efforts to get grants/ assistance/ loan at cheaper rates for hydro power projects from international agencies”.

10. The Ministry of Power, in its Action-taken reply, has stated as under:

“The Government is continuing with its efforts for long-term low interest financing instruments in order to improve economic viability of the hydro projects. With efforts from the Ministry, REC and PFC have already agreed to provide loans for a period upto 80% of the project life of 40 years i.e. loans are now available for upto 32 years. To encourage other banks/ financial institutions also for providing long term loans, meetings were held under the Chairmanship of Secretary (Power) on 10.01.2019 and also under the chairmanship of Hon’ble Minister of Power (I/C) on

17.02.2020 with leading Bankers. The Bankers agreed to consider to provide loans for longer tenure i.e. 18 years and with repayment matching with the cash flow of the developer. Further, the CPSUs have also been asked to explore the possibility of obtaining long term loans from global financial institutions as World Bank, ADB, JICA etc. to bring down the tariff.”

11. The Committee note that the Government is continuing with its efforts for long-term low interest financing instruments in order to improve economic viability of the hydro projects and REC and PFC have agreed to provide loans for a period upto 80% of the project life of 40 years i.e. loans are now available for upto 32 years. The Committee are also informed that other banks/financial institutions have also been encouraged to provide long-term loans which the Bankers agreed to consider to provide loans for longer tenure i.e. 18 years and with repayment matching with the cash flow of the developer. The Committee also note that the CPSUs have been asked to explore the possibility of obtaining long-term loans from global financial institutions as World Bank, ADB, JICA etc. to bring down the tariff. While acknowledging the initiatives of the Ministry for making effort to get loan at cheaper rates for hydro power projects from financial institutions, the Committee would like to be apprised of the actual progress made in this regard.

(Recommendation No. 8)

12. The Committee had noted as under:

“The Committee note that some States have levied water cess for each cubic meter of water which is being used by the hydro power plants. However, the Committee find no sound rationale behind this as there is no consumptive use of water by a hydro power plant. Water just passes through the turbines and goes to the river again. The Committee found that imposition of water cess is not fair considering the provision of 12% of free power to the respective States from the hydro power projects. Since, the levying of water cess further burden the already stressed sector, the Committee are of the firm view that there is a need for relook in this matter by the States who have levied it. The Committee also desire that the Ministry would also persuade the Sates not to levy any water cess on hydro power projects.”

13. The Ministry of power, in its reply, has stated as under:

“Presently, only the Govt. of J&K levies the Water cess on hydro projects. In this connection, Ministry, vide its letter dated 24.11.2017 has taken up the matter with Government of J&K to withdraw the imposition of Water cess. Jammu and Kashmir has agreed to relax Water cess for the initial 10 years in three projects viz. PakalDul (1000 MW), Kiru (624 MW) and Ratle (850 MW) to bring down tariff in the initial years.”

14. The Committee had desired the Ministry to persuade the States not to levy water cess on hydropower projects. The Ministry in its reply has stated that only the Government of Jammu and Kashmir has levied the water cess on hydro projects and the Ministry had taken up the matter on 24.11.2017 with the Government of J&K to withdraw the imposition of water cess. The Government of Jammu and Kashmir is stated to have agreed to relax water cess for the initial 10 years in 03 projects viz. PakalDul (1000 MW), Kiru (624 MW) and Ratle (850 MW) to bring down tariff in the initial years. The Committee appreciate the positive results achieved due to efforts made by the Ministry. The Committee however observe that the recommendation of the Committee was for persuading the States not to levy any water cess on Hydro power projects but the relaxation given by J&K Government is not only for a limited period of 10 years but also it is only for 03 specific projects. The Committee therefore, reiterate that the Ministry should persuade the States not to levy any water cess on hydro projects and would like them to continue its efforts to get this water cess permanently removed for all projects. The Committee would like to be apprised of the development in the matter.

(Recommendation No. 12)

15. The Committee had noted as under:

“The Committee note that certain misconceptions seem to have been associated with the development of all hydro projects in general and large hydro projects in particular. These mainly relate to their perceived adverse impact on environment, forests and wildlife, large submergence of private and forest land and consequently large displacement of population and Rehabilitation & Resettlement issues involved etc. which have hindered development of hydro sector in general. The Ministry have enumerated various steps to address the issues related to development of hydro power projects, their impact on environment and provisions for the benefits of the affected people. The Committee, however, feel that there is still a need for spreading awareness regarding benefits of hydro power and to remove misconceptions related to hydro power. The Committee, therefore, recommend that the Government apart from launching campaigns and dissemination relevant information in this regard at various public platforms, should also invariably involve the respective local representatives/ Members of Parliament for this purpose. The Committee believe that their involvement will not only be helpful in this endeavour but also in resolution of many other local issues.”

16. The Ministry of power, in its reply, has stated as under:

“The Ministry agrees with the recommendation of the Hon’ble Standing Committee that public awareness campaigns including dissemination of relevant information by involving local representatives/ Members of Parliament could further help in resolving the local issues.

Further it is also informed that 40 local people from around proposed sites in Arunachal Pradesh were taken on a tour to NHPC's commissioned power stations in Feb-March 2020. The objective of the programme was to enable the participants understand the benefits of hydropower development to the entire region. Similar programmes are planned on a larger scale in the future for better sensitisation to local public regarding benefits of hydropower projects.

In this regard, Subansiri Lower project (2000 MW), which was stalled since December 2011 due to local agitation against the project and thereafter due to NGT case, has re-started in October 2019 with co-operation of local representatives. The successful re-start of the work at Subansiri Lower project will pave the way for more projects in Arunachal Pradesh to take off."

17. The Committee had recommended that in order to remove certain misconceptions associated with the hydro power projects, there was a need for spreading awareness about the benefits of the hydro power and for this purpose, the government should launch campaigns at various public platforms and also to involve the local representatives/Members of Parliament. The Committee are happy to note from the reply submitted by the Ministry that 40 local people from around proposed site in Arunachal Pradesh were taken on a tour to NHPC's commissioner power stations in February-March, 2020. Further, the Subansiri Lower Project which was stalled since December 2011 due to local agitation against the project and thereafter due to NGT case, has re-started in October 2019 with co-operation of local representatives and the successful restart of the work to resolve local issues in the construction of hydro power projects. The Ministry has also informed the Committee that the successful restart of the work at Subansiri Lower Project will pave the way for more projects in Arunachal Pradesh to take off. The Committee appreciate the efforts made by the Ministry to implement the recommendation of the Committee in the right perspective. The Committee are however of the opinion that in addition to the local representatives, the Member of Parliament representing the area should also be associated in such campaigns which will definitely bring fruitful results at faster speed. The Committee hope that the Ministry will continue with such awareness campaigns in future also.

CHAPTER II

OBSERVATIONS/ RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation No.1

The committee note that as per the present policy, hydro power plants upto 25 MW capacities are considered as renewable energy sources and are under the purview of the Ministry of New and Renewable Energy, whereas, hydro power plants having capacities more than 25 MW are considered conventional energy source and are dealt with by the Ministry of power. The Committee, during the examination of the subject found no logic behind segregation of hydro power into renewable energy and conventional energy on the basis of its capacity. It had been learnt that hydro power is a clean and green source of energy and as compared to conventional thermal power source, have negligible carbon foot prints. The Committee note that the Green House Gas Emissions from Hydro Power is 4-10 gram CO₂/kWh which is even lesser than that from Solar Power i.e. 38 Gram CO₂/kWh. In case of coal based thermal power it is 957 Gram CO₂/kWh.

Even, the Ministry of Power, in regard to such segregations of hydro power on the basis of its capacity have stated that all hydro projects are traditionally renewable in nature. Since Hydro Power projects up to the capacity of 25 MW stands allocated in Ministry of New and Renewable Energy (MNRE) (Initially Ministry of Energy, later bifurcated to Ministry of Non-Conventional Energy Sources, which was finally renamed as MNRE in 2006), only these are categorized as renewable energy source. Thus, the categorization was on the basis of allocation of work and not on the renewable nature of source. In regard to declaring all hydro as renewable, they have stated that one of the measures formulated by Ministry of Power in the proposal for "Revival of Hydro Power Sector" include declaring all hydro projects as renewable irrespective of their size and capacity. The proposal is presently under advanced stage of inter-ministerial consultations. During the examination of the subject, the Committee found that declaration of all types of hydro as renewable energy source is the common and long standing demand of the State Governments/Project Developers. The Committee also find this demand genuine and logical, therefore, they strongly recommend that all type of hydro power should be categorized as renewable source of energy as soon as possible. The proposal in this regard which is under inter-ministerial consultations should be expeditiously finalized.

Reply of the Government

Ministry has noted the suggestion of Hon'ble Committee. On 8th March, 2019, Government has approved certain measures including categorization of Large Hydro Projects as renewable energy.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Comments of the Committee

(Please see Para No. 8 of Chapter - I of the Report)

Recommendation No.2

Clearances Issues

The Committee observe that land acquisition for hydro power projects are becoming difficult day by day. During the examination of the subject the Committee found that the process of land acquisition is time consuming and fraught with many uncertainties. The Ministry have also stated that the land acquisition is a persistent issue involved in the implementation of hydro projects. Acquisition of land for various locations of the project such as Dam, Head Race Tunnel (HRT), Power House, Switch yard, etc. delay the commencement/ progress of works. The Ministry have stated that to streamline the process Right to Fair Compensation Act, 2013 has been notified by the Government of India in 27.09.2013 which have more participation of local people in terms of Land Acquisition and Rehabilitation & Resettlement.

The Ministry have also enumerated various benefits which are provided under Resettlement and Rehabilitation (R&R) to all affected and displaced families in addition to compensation. It is learnt that the real problem lies in the execution of land acquisition and implementation of Resettlement & Rehabilitation schemes for which district Administration is responsible. The Committee find that the District Administrators are entrusted with plethora of work, therefore, they have limited time. Further, owing to complexity of the matter, often there are cases of delays and unresolved issues in the land acquisition and Resettlement & Rehabilitation process.

The Committee during their study visits and discussions with the representatives of the various State Governments have realised that District Administration plays a key role in resolution of issues related to land acquisition and R&R. Without cooperation of District Administration, it is difficult for the projects to meet their timeline. The Committee note that there are several cases of time overrun in case of hydro power projects, which have resulted in massive cost escalation. The Committee, therefore, expect that the District Administration, wherever, the hydro power projects/potential lies, will actively participate and do the needful to expedite the matter of land acquisition and R&R process related to hydro power projects to provide fair deal for the affected people as well as to fast tract the hydro power projects. The Committee also recommend that the Central Government, the State Government(s) and the Developer of the Projects should coordinate and cooperate with the District Administration in this regard.

Reply of the Government

This Ministry has noted the recommendations of the Committee for better co-ordination between District Administration, Centre, State Government & Developer. Ministry reviews progress of all projects during quarterly progress review meeting held for each CPSU and takes up issues with respective District administration/State Government, wherever required.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.3

The Committee note that three types of clearances are mandatory from three different wings of ministry of Environment and Forest (MoEF) i.e. environmental clearance from Expert Appraisal Committee (EAC), Forest Clearances from Forest Advisory Committee (FAC) & Wildlife Clearances from National Board of Wildlife (NBWL). This makes the whole process very cumbersome which otherwise would be easier and less time consuming. The Committee are of the view that there is a need to strike a balance between the development and the environment as both are important for the country. The Committee definitely want that hydro power projects be developed only after due consideration and assessing their impact on environment and ecological system. However, at the same time they are of the opinion that during such consideration the 'net effect' of hydro power projects to the environment should be taken into account. It has been proven that net effect of hydro projects have always been positive for the surroundings in terms of ground water recharge, flourishing of flora and fauna, flood mitigation, availability of water for various purposes, etc.

Also, more power from hydro projects means less dependence on fossil fuel based power plants which emit pollutants to the environment. The Committee have highlighted in the preceding para that hydro power have lesser CO2 emission as compared to other sources of power projects and should not be seen as just any other development projects. The committee recommend that hydro power projects should be seen in a broader perspective and a considered view may be taken while granting various clearances. The Committee also feel that there is urgent need to integrate and fast track the process of various clearances granted by the ministry of Environment and Forest.

Reply of the Government

This Ministry has noted the recommendations of the Committee. Ministry closely monitors the process of EC and FC and wherever required, takes up the matter with MoEF&CC for ensuring expeditious clearances. Further, FRA issues requiring State Government intervention are taken up by the Ministry with the State Administration.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.4

The Committee find there are environmental issues related to hydro power projects that often lead to litigation. The committee are also aware that there are delays in disposal of such cases that lead to time and cost overrun in hydro power projects. The Committee, therefore, recommend that for the purpose of better coordination amongst the various Ministries and harmonization of their incongruous views, there should be a special cell which will also monitor and expedite the matters pending in the Supreme Court and National Green Tribunal (NGT).

Reply of the Government

The Hydro Division of Ministry of Power closely monitors all the Court Cases and NGT Cases related to hydropower projects. Wherever there is involvement of more than one Ministry, a common view is formed in mutual consultations with all the concerned.

Recently, the NGT case in respect of Subansiri Lower project (2000 MW) was resolved by active co-ordination with MoEF&CC.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.5

The Committee note that during last few years, river basin studies have been got carried out by MoEF for the major river basins in Arunachal Pradesh and Chenab basin in Himachal Pradesh, etc. The Committee with a view to avoid issues related to ecology and environmental-flow issue as faced in some states, recommend that the Hydro Power Projects should be identified and planned on the basis of River Basin Studies instead of developing them in isolation. The Committee are of the belief that this will not only help in preserving ecological system of the river but also maximize the power generation from these power plants. Further, the decision for setting up of large dam based hydro projects or Run of River projects may be made by taking a holistic view of the respective river Basins.

Reply of the Government

The recommendations of the Hon'ble Committee are noted. In this connection, it is also submitted that MoEF& CC has carried out *Cumulative Impact and Carrying Capacity Study, briefly known as River Basin Studies* for each basin separately taking the holistic view of environment and ecological surroundings of the area. Based on these studies carried, some of the hydro projects have been proposed to be dropped while some others have been proposed to be modified. Further, hydro power potential available in the country is also presently under review by CEA through WAPCOS Ltd. wherein there is association of representative from MoEF&CC.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.6

Financial Issues

The Committee note that a typical hydro station is financed based on the debt/equity ratio of 70:30. The 30% equity has to be managed by developers either from own resources or from public/private placement including IPO. The 70% loan can be taken from various sources like Scheduled Commercial Banks, Non-Banking Financial Institutions or issue of Bonds. The foreign loan is generally available from institution like World Bank, Asian Development Bank (ADB) etc. and is generally availed by PSUs/CPSUs as Government of India's Guarantee is required for this. The Committee further note that despite the long life hydro power projects, only short tenure loans are being sanctioned for them. Since the loan amount has to be repaid in the 10-12 years, it leads to significant increase in tariff during the initial years. Moreover, due to uncertainties involved in development of hydro power projects, not many banks/ institutions are keen to finance these projects. The higher interest rate charged on the loan further aggravates the problem of higher tariff of hydro power.

The Committee also note that considering the interest rate of 10% for a typical hydro project with a capital cost (including Interest During Construction IDC) of Rs 10 crore/MW, the first year tariff and levelised tariff works out to around Rs. 6.60kWh. &Rs. 6.00/kWh respectively. If interest rate reduces by 4% (either through subvention or by other means), the capital cost of the same project would be reduced to Rs. 9.2 crore/MW due to reduction in IDC component. With this, the first year and levelised tariff would come down to about Rs. 5.35/kWh and Rs. 5.15/kWh respectively. Thus, cheaper financing is the major factor in enhancing the viability of hydro projects. The committee also note that out of 16 stalled hydro power projects, 10 are stalled due to financial constraints. The Committee are of the view that long term loan at cheaper interest rate is the key to hydro power viability. The Ministry have stated that recently, Government financial institutions like Power Finance Cooperation (REC) have started to provide financing of loan for tenure more than 20 years. It has been further stated that the Ministry is engaging with Bankers and Financial Institutions to make low cost funding available for Hydro developers. The Committee welcome this step as they have long been pressing for it. The committee, therefore, desire that the long tenure finances at cheaper rate should be provided to all the hydro power projects. The Government should also make efforts to get grants/ assistance/ loan at cheaper rates for hydro power projects from international agencies.

Reply of the Government

The Govt. is continuing with its efforts for long-term low interest financing instruments in order to improve economic viability of the hydro projects. With efforts from the Ministry, REC and PFC have already agreed to provide loans for a period upto 80% of the project life of 40 years i.e. loans are now available for upto 32 years. To encourage other banks/ financial institutions also for providing long term loans, meetings were held under the Chairmanship of Secretary (Power) on 10.01.2019 and also under the chairmanship of Hon'ble Minister of Power (I/C) on 17.02.2020 with leading Bankers. The Bankers agreed to consider to provide loans for longer tenure i.e. 18 years and with repayment matching with the cash flow of the developer. Further, the CPSUs have also been asked to explore the possibility of obtaining long term loans from global financial institutions as World Bank, ADB, JICA etc to bring down the tariff.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Comments of the Committee

(Please see Para No. 11 of Chapter – I of the Report)

Recommendation No. 7

Hydro Power Purchase Obligation

The Committee find that hydro power projects are quite difficult to develop having long gestation period with many uncertainties and added disadvantages of higher initial cost. The committee note that due to higher power tariff, the developers find it difficult to sign Power Purchase Agreements (PPA). The Committee understand the necessity of having adequate amount of hydro power in the power system and, therefore, they are of the view Hydro Power should also be promoted on the line Solar Power by making a provision for Hydro Power Purchase Obligation (HPO). The Committee are of the belief that

doing so will give much needed impetus to the development of hydro power sector and encourage the states endowed with hydro power potential to harness it.

Reply of the Government

The Committee's recommendation for having a Hydropower Purchase Obligation (HPO), has already been approved by Union Cabinet in its meeting held on 07.03.2019. As per the approval, HPO will be notified as a separate entity within Non-Solar Renewable Purchase Obligation (RPO). The HPO shall cover all LHPs commissioned after 08.03.2019 as well as the untied capacity (i.e. without PPA) of projects commissioned before 08.03.2019. This HPO will be within the existing Non-Solar RPO after increasing the percentage assigned for it so that existing Non-Solar RPO for other renewable sources remain unaffected by the introduction of HPO. The trajectory of HPO targets till the year 2030 is being notified by Ministry of Power with an aim to add 30000 MW of hydropower by the year 2030 and annual targets are based on the projected capacity addition plans in hydro power sector.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No. 9

Central Public Sector Undertakings

The Committee note that the present total installed capacity of hydro power is 45,400 MW. The share of Private Sector in that is 3,394 MW which is only 7.5%, whereas, they are the leader in thermal power sector with the share of 39%. The Committee, during the examination of the subject, learnt that many private players who have been allocated hydro power projects are finding it difficult to construct/complete the project due to various reasons including lack of expertise and financial constraints. The Committee find that due to present power sector scenario and constraints in Funding of projects the sentiments of the Private Sector in hydro power is low. Even the Secretary (Power) has acknowledged that lenders are not willing to lend long term loan to private people. In regard to taking up projects of private players which are stuck, the Secretary has stated that all the Central Public Sector Undertakings are willing to take up work and are also willing to enter joint venture model with the State Governments. The committee are aware that the Central PSUs have the required infrastructure, manpower, expertise and also have vast experience in the field of development of hydro projects. Moreover, there is no problem in mobilization of required fund by them. The committee, therefore, recommend that the states should involve Central PSUs in harnessing hydro power and give preference in allocation of the projects which are yet to be allocated. The committee also desire that Central PSUs would make all possible efforts to acquire the abandoned/ stressed/ stuck hydro power projects.

Reply of the Government

In this regard, it is informed that Himachal Pradesh has recently allocated 11 hydropower projects of 3357 MW to 3 CPSUs viz. NHPC, SJVN and NTPC.

Similarly, GoJ&K has allotted PakalDul (1000 MW), Kiru (624 MW) and Kwar(500 MW) to CVPPL, a Joint Venture lead by NHPC, GoJ&K and PTC. Further, Ratle HE Project

(850 MW), earlier allotted to M/s GVK, has now been entrusted by GoJ&K to the Joint Venture of NHPC and JKSPDC for implementation with NHPC being lead partner.

Two hydro projects under construction in Sikkim viz. Teesta VI (500 MW) and Rangit IV (120 MW), initially allotted to private companies have also been taken over by NHPC after successful bidding in NCLT.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.10

Creation of enabling infrastructure

The committee find that hydro power potentials are site specific and mostly lies in far-flung and remote areas. The access to these sites and their development, in the absence of any connecting road and enabling infrastructure, is an issue. In these conditions developers face much difficulty in developing these projects. The developer not only has the responsibility to develop enabling infrastructure like roads, bridges, etc. for the construction of power projects but also has to bear the expenditure that leads to an increase in project cost and power tariff. The committee, therefore, feels that there is a need to separate the work and cost of creation of enabling infrastructure and development of actual hydro power projects. As the enabling infrastructure so created also helps in overall development of the State, the committee, therefore, recommends that the State Government with the help of Central Government should take the responsibility to create enabling infrastructure needed for construction of hydro power projects. The scheme 'Pradhan Mantri Gram Sadak Yojana' of the Central Government could be utilized by the State Government in regard to construction of roads by prioritizing the areas wherever hydro power projects are proposed. In addition to utilization of schemes like Pradhan Mantri Gram Sadak Yojana, the Central Government should also explore other available sources like Central Road Fund for the purpose of developing infrastructure in and around the proposed hydro power projects.

Reply of the Government

In order to overcome the difficulty in developing infrastructure around hydropower projects, the Union Cabinet, in its meeting held on 07.03.2019, approved the provision for budgetary support for enabling infrastructures i.e. roads and bridges for hydro projects. This support shall be applicable for projects starting construction after 08.03.2019. This budgetary support would be provided after appraisal / approval of each project by PIB / CCEA / competent authority as per the extant rules / due process. The limit of this grant for such roads and bridges would be as follows:-

- a. Rs. 1.5 Crore per MW for projects upto 200 MW
- b. Rs. 1.0 Crore per MW for projects above 200 MW.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.11

Local Area Development Fund (LADF)

The committee note that there is provision of Local Area Development Fund (LADF) in the State. 2% of the cost of power of the hydro power project goes to this fund. The Central and the State Government contribute 1% each to it. It is the responsibility of the State Government to ensure that this fund is utilized for the benefits of the people who are affected by the hydro power projects. It is expected from the State to formulate guidelines and set up Committee to ensure proper utilization of this fund. However, the Committee have been apprised that in case of some of the States this money (2% of the cost of power) goes into the State Government's consolidated fund, and there is no guideline and Committee in place to ensure that the money is utilized for the intended purpose. The Committee, therefore, desire the Ministry to take up this issue with the States at appropriate level to ensure early compliance by these States. The Committee also expect the respective State Government to put in place the required machinery and take necessary measures to ensure timely and proper utilization of the fund.

Reply of the Government

The recommendation of the Committee has been noted.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.12

Involvement of People Representatives/Members of Parliaments

The Committee note that certain misconceptions seem to have been associated with the development of all hydro projects in general and large hydro projects in particular. These mainly relate to their perceived adverse impact on environment, forests and wildlife, large submergence of private and forest land and consequently large displacement of population and Rehabilitation & Resettlement issues involved etc. which have hindered development of hydro sector in general. The Ministry have enumerated various steps to address the issues related to development of hydro power projects, their impact on environment and provisions for the benefits of the affected people. The committee, however, feel that there is still a need for spreading awareness regarding benefits of hydro power and to remove misconceptions related to hydro power. The Committee, therefore, recommend that the Government apart from launching campaigns and dissemination relevant information in this regard at various public platforms, should also invariably involve the respective local representatives/ Members of Parliament for this purpose. The committee believe that their involvement will not only be helpful in this endeavour but also in resolution of many other local issues.

Reply of the Government

The Ministry agrees with the recommendation of the Hon'ble Standing Committee that public awareness campaigns including dissemination of relevant information by involving local representatives/ Members of Parliaments could further help in resolving the local issues.

Further it is also informed that 40 local people from around proposed sites in Arunachal Pradesh, were taken on a tour to NHPC's commissioned power stations in Feb-March 2020. The objective of the programme was to enable the participants understand the benefits of hydropower development to the entire region. Similar programmes are planned on a larger scale in the future for better sensitisation to local public regarding benefits of hydropower projects.

In this regard, Subansiri Lower project (2000 MW), which was stalled since December 2011 due to local agitation against the project and thereafter due to NGT case, has re-started in October 2019 with co-operation of local representatives. The successful re-start of the work at Subansiri Lower project will pave the way for more projects in Arunachal Pradesh to take off.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Comments of the Committee

(Please see Para No. 17 of Chapter – I of the Report)

Recommendation No.13

Arunachal Pradesh

The committee note that the State of Arunachal Pradesh is well endowed with hydro power potential. The states, as per reassessment study carried out in 1987, has hydro power capacity of 50,064 MW. Against this huge potential, the actual utilization is only 515 MW. The committee during the examination of the subject found that many projects have been allocated and are at various stages of development. However, due to various reasons most of them have been stalled.

While explaining the reasons for tardy development of hydro power in the state, the Secretary Power has stated that is hardly any development because a large number of projects were awarded in 2008 and 2009 at a certain premium these are MoU-based projects. He has further stated that since water is a State subject, the State has to allot a hydro power project for development. The Central Government/PSUs cannot take initiative on their own to develop the hydro power projects unless they are allocated to them by States. He has also emphasized that there is a need to start doing surveys and investigations of the potential sites. As surveys and investigations involve expenditure, therefore, financial support of the Government of India is needed in this regard. After, the survey and investigation, such sites could be developed by anybody even by the States.

The committee also note that there are projects in Arunachal Pradesh which have been allocated to developers but due to various reasons they are finding it difficult to develop those projects. The Committee further note that there is a clause in the Memorandum of Understanding under which the State Government has the exclusive right to re-allot such project to any other developer in case of inordinate delays.

The committee, therefore, recommend that the Central Government may persuade and provide all the possible assistance to the State Government of Arunachal Pradesh enabling them to take various measures necessary to expeditiously develop hydro power projects in the state. The committee also expect the State government of Arunachal Pradesh

to take initiatives and cooperate with the Central Government in this regard. The Committee also recommend that the projects which have been stuck due to inability of the developers should be reallocated to Public Sector Undertakings which have required expertise of the field.

Reply of the Government

A number of projects have been entrusted to CPSUs for development including Dibang (2880 MW), Tawang I (600 MW), Tawang II (800 MW) and Teesta IV (520 MW) etc.

With constant and close monitoring by the Ministry, Govt. of Arunachal Pradesh has assessed the status of allotted projects. GoAP has terminated 27 hydropower Projects (inc 16 LHPs) allotted to private sector with little or no progress after due process. From these terminated projects, CPSUs have been asked to identify projects of their interest for implementation.

In addition to these 27 terminated projects, 8 projects (7 LHPs) are undergoing termination process after final show cause notice and 55 projects (43 LHPs) have been issued final show cause notice before processing for termination process.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.14

Uttarakhand

Based on the River Basin Studies carried out, certain environmental flows have been recommended to be released in the downstream stretch of the river during different seasons to maintain the river eco-system and bio-diversity including flora, fauna & aquatic life. The committee have been informed that broadly the environmental flows are decided to maintain minimum depth as well as minimum width of river during different seasons for sustenance of the aquatic life besides the existence of flora and fauna. The quantum of environmental Flow (E-Flow) release recommended in these Basin Study Reports varies from project to project.

The committee found that the most affected State by the order of Environmental Flow is Uttarakhand. During the discussion on the subject the representative of the State has stated that they are ready to maintain an Environmental Flow of 15%, as per previous order of Ministry of Water Resources which was also based in the opinion of as expert body. It has also been stated that the recent order to enhance the limit of E-Flow from 15% to 20-30% will result in a loss of about Rs. 120 crores per annum with the existing potential; and it does not include the potential which need to be developed. Further it has also been stated that the enhancement in E-Flow would make the tariff higher approximately by Rs. 1.25, which would make Power purchase Agreements absolutely unviable. When the committee sought the views of the Ministry in this regard, it has been stated that they are definitely with Uttarakhand and they have been trying to resolve this issue at the highest level. The Ministries of Power and Environment have been agreeing, however, the Ministry of Water Resources have different view.

In view of the above the committee feel that the issue of E-Flow should be resolved amicably by the Ministries/agencies concerned so that a consensus in this regard can be arrived at. The committee are also of the view that the concept of Environmental Flow is a

good measure to preserve ecological system and aqua life of the river. However, the committee at the same time feel that changing the E-Flow criterion retrospectively would cause hardship for the hydro power developers. The Committee, therefore, recommend that the matter of E-Flow should be resolved as early as possible. The Committee also recommend that in case the enhanced limit of E-Flow sustains, the Government should explore the avenue to provide require assistance to the affected projects including measures like Viability Gap Funding so that they remain viable even after reducing their capacity.

Reply of the Government

The suggestion of the Hon committee has been noted.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.15

Eastern/NE Regions/Bihar

The committee are aware that almost every year most of the States of Eastern and North-Eastern Region have to face the fury of huge floods that not only result in loss of lives and damage to property but also takes a heavy toll on the exchequer of the Government in the form of flood relief measures. Bihar is one such State. The Committee during their study visit to Bhakra Dam have realized importance and utility of such multi-purpose projects in flood control apart from generation of electricity at an incredibly low cost.

The committee note that as per the reassessment study of hydro potential completed by CEA in 1987, no storage site has been identified within Bihar for construction of storage based hydro scheme. The Ministry have, however, stated that Saptakosi High Dam Multipurpose project (3300MW) and sun Kosi Storage cum diversion Scheme has been proposed to be constructed within Nepal at Barakshetra close to Bihar which would have flood management component. It has been further stated that based on the feasibility report for the project prepared by India in 1981, the project would afford irrigation and flood control benefits in Bihar apart from 15,730 MU of Power generation. In addition, development of Inland Waterways through Kosi and Ganga rivers is another important component of the project. DPR for the project is presently under preparation by a Joint Project Office, established at Birat Nagar for carrying out detailed investigations/ field works and of DPR which is likely to be completed by September, 2019.

The committee are of the view that this project would serve the needs of both the countries, therefore, it needs to be developed without further loss of time. The committee also expect that sincere efforts would be made in this regard at the highest level. The committee, therefore, recommend the Ministry to ensure that the work of DPR is completed within the stipulated timeline so that the project is developed at the earliest. The committee also desire that the Government should strive to seek the cooperation of neighbouring countries like Nepal, Bhutan and other SAARC countries for harnessing the natural resources with a view to optimally utilize the available hydro potential for the mutual benefits.

Reply of the Government

India is already engaged in cooperation with neighbouring countries like Nepal and Bhutan. Various projects are being developed in these countries with support and co-operation of India to optimally utilize the available hydro potential in these countries on a mutually beneficial basis.

The ongoing cooperation between India and Bhutan in the hydro-power sector is covered under the 2006 bilateral agreement for cooperation and its Protocol signed in 2009. 04 hydro-electric projects (HEPs) totaling 2136 MW are already operational in Bhutan and are supplying the surplus electricity to India. The 720 MW Mangdechhu HEP was commissioned in August 2019. Two HEPs namely, 1200 MW Punatsangchhu-I, 1020 MW Punatsangchhu-II under Inter-Governmental mode and Kholongchhu HEP (600 MWs) under JV mode are under implementation. As part of GoI's commitment to joint development of 10000 MW hydro-power in Bhutan, both sides have identified a number of other projects in the sector.

As for Nepal, 4 projects of 51.1 MW were built in Nepal with Indian assistance. Arun-III project (900 MW) is under implementation by a Indian CPSU, namely, SJVN Ltd. Further, NHPC Ltd. and THDC Ltd sent a team to Nepal to study the Hydro Power Potential in Nepal and explore the potential of setting up Hydro Power Projects there.

Further, Pancheshwar multipurpose project (5040 MW) is under planning stage. As regards the DPR of SaptaKosi High Dam Multipurpose project (3300MW) and Sun Kosi Storage cum diversion Scheme, these are being prepared by Joint Project Office (JPO), established at Birat Nagar. During 15th meeting of Joint Team of Experts (JTE) held in July, 2017, wherein it was decided to prepare the DPR of the project by September, 2019. However, it has been noted during the meeting of Joint Committee on Water resources in Jan. 2019 that expected progress has not been achieved due to resistance from local people.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Recommendation No.16

Himachal Pradesh

The committee note that against the harnessable potential of 23,500 MW, Himachal Pradesh have already developed the capacity to the tune of 10,547 MW. Whereas, 1,885 MW capacity is under construction, 9,136 MW capacity is under the stage of clearance/investigation and rest which is only 1,364 MW is left of allocation. The committee find the success of Himachal Pradesh in development of hydro power sector very encouraging and feel that it shall be emulated by other states endowed with hydro power potential. The committee, during their study visit was apprised by the representatives of the state Government of Himachal Pradesh of the various enabling measures and proactive steps taken by the State Government that have made them successful in this endeavour. Since, the hydro power projects have high initial cost and long gestation period, therefore, they have deferred the 12% free power share from the power project which was to come in the first 12 years. It shall now be recovered in next 28 years at uniform percentage rate. Another very important thing which the State Government of Himachal Pradesh has recently done is that all the power generated by the hydro power

projects up to 25 megawatts, will mandatorily be purchased by the Himachal Pradesh State Electricity Board Limited (HPSEBL). Moreover, they have reduced the premium for setting up hydro power projects to Rs. 1,00,000 per megawatt and also giving the Government's land only at Rs. 1 with a view to reduce the overall project cost. Apart from these, they are not levying any water cess. The committee found that due to keen and friendly approach of the State Government of Himachal Pradesh towards development of hydro power, they are having surplus power and earning addition revenue by exporting it. The committee, therefore, recommend that the Government should encourage other State having hydro power potential to emulate Himachal Model as this will not only help the nation to optimally harness the hydro power potential in the country but also bring prosperity to these States.

Reply of the Government

During the Power Ministers' Conference held in Narmada Tent City in October 2019, all hydro-rich states were encouraged to emulate the measures approved by Govt. of Himachal Pradesh to promote hydropower. The measures of Himachal Pradesh includes deferment of 12% free power, providing Govt. land at almost free rate, not levying of water cess etc with an objective to bring down the tariff to an affordable rate. With these measures, GoHP signed MoUs for 11 hydropower projects of 3357 MW with 3 CPSUs viz. NHPC, SJVN and NTPC.

GoJ&K have also come forward and waived water cess for the first 10 years in PakalDul (1000 MW), Ratle (850 MW) and Kiru (624 MW). GoJ&K has also agreed to defer/ stagger free power for PakalDul (1000 MW) and Ratle (850 MW) projects.

Further measures like HPO, tariff rationalisation, budgetary support for enabling infrastructure/ flood moderation etc. Have been approved by the Union Cabinet in March 2019. This would promote hydropower development in the country and help in adding 30000 MW of hydropower by the year 2030.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

CHAPTER III

**OBSERVATIONS/ RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO
PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES**

-Nil-

CHAPTER IV

OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH THE REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation No. 8

Water Cess

The Committee note that some of the States have levied water cess for each cubic meter of water which is used by the hydro power plants. However, the Committee find no sound rationale behind this as there is no consumptive use of water by a hydro power plant. Water just passes through the turbines and goes to the river again. The Committee found that imposition of water cess is not fair considering the provision of 12% of free power to the respective States from the hydro power projects. Since, the levying of water cess further burden the already stressed sector, the Committee are of the firm view that there is a need for relook in this matter by the States who have levied it. The Committee also desire that the Ministry would also persuade the Sates not to levy any water cess on hydro power projects.

Reply of the Government

Presently, only the Govt. of J&K levies the Water cess on hydro projects. In this connection, Ministry, vide its letter dated 24.11.2017 has taken up the matter with Government of J&K to withdraw the imposition of Water cess. Jammu and Kashmir has agreed to relax Water cess for the initial 10 years in three projects viz. PakalDul (1000 MW), Kiru (624 MW) and Ratle (850 MW) to bring down tariff in the initial years.

[Ministry of Power
File No.15-8/14/2018-H-II, Dated: 10/05/2020]

Comments of the Committee

(Please see Para No. 14 of Chapter – I of the Report)

CHAPTER V

**OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH THE FINAL REPLIES
OF THE GOVERNMENT ARE STILL AWAITED**

-Nil-

**New Delhi
18th March, 2021
27 Phalguna, 1942 (Saka)**

**Shri Rajiv Ranjan Singh *alias* Lalan Singh,
Chairperson
Standing Committee on Energy**

STANDING COMMITTEE ON ENERGY

MINUTES OF THE EIGHTH SITTING OF THE STANDING COMMITTEE ON ENERGY (2020-21) HELD ON 18th MARCH, 2021 IN COMMITTEE ROOM '2', PARLIAMENT HOUSE ANNEXE EXTENSION, NEW DELHI

The Committee met from 1500 hrs. to 1535 hrs.

LOK SABHA

Shri Rajiv Ranjan Singh alias Lalan Singh - Chairperson

2. Km. Shobha Karandlaje
3. Shri Ramesh Chander Kaushik
4. Shri Ashok Mahadeorao Nete
5. Shri Parbatbhai Savabhai Patel
6. Shri Dipsinh Shankarsinh Rathod
7. Shri N. Uttam Kumar Reddy
8. Shri Shivkumar Chanabasappa Udasi

RAJYA SABHA

9. Shri T.K.S. Elangovan
10. Shri Maharaja Sanajaoba Leishemba
11. Shri Jugalsinh Mathurji Lokhandwala
12. Dr. Sudhanshu Trivedi
13. Shri K.T.S. Tulsi

SECRETARIAT

1. Shri R.C. Tiwari - Joint Secretary
2. Shri R.K. Suryanarayanan - Director
3. Shri Kulmohan Singh Arora - Additional Director

2. At the outset, the Chairperson welcomed the Members and apprised them about the agenda of the sitting. The Committee then took up the following ten draft Reports for consideration and adoption:-

- a) Report on Action-taken by the Government on the recommendations contained in the 28th Report (16th Lok Sabha) on 'National Solar Mission- An Appraisal';

- b) Report on Action-taken by the Government on the recommendations contained in 37th Report (16th Lok Sabha) on Stressed/Non-performing Assets in Power Sector’;
- c) Report on Action-taken by the Government on recommendations contained in 40th Report (16th Lok Sabha) on ‘Impact of RBI's Revised Framework for Resolution of Stressed Assets on NPAs in the Electricity Sector’;
- d) Report on Action-taken by the Government on recommendations contained in 42nd Report (16th Lok Sabha) on ‘Stressed/Non-Performing Assets in Gas based Power Plants’;
- e) Report on Action-taken by the Government on the recommendations contained in the 43rd Report (16th Lok Sabha) on ‘Hydro Power’; and
- f) Report on Action-taken by the Government on the recommendations contained in the 1st Report (17th Lok Sabha) on Demands for Grants (2019-20) of the Ministry of New and Renewable Energy;
- g) Report on Action-taken by the Government on the recommendations contained in the 2nd Report (17th Lok Sabha) on Demands for Grants (2019-20) of the Ministry of Power;
- h) Report on Action-taken by the Government on the recommendations contained in the 3rd Report (17th Lok Sabha) on Demands for Grants (2020-21) of the Ministry of New and Renewable Energy’.
- i) Report on Action-taken by the Government on the recommendations contained in the 4th Report (17th Lok Sabha) on Demands for Grants (2020-21) of the Ministry of Power.
- j) Report on the subject ‘Action Plan for achievement of 175 Gigawatt (GW) Renewable Energy Target’.

3. After discussing the contents of the Reports, the Committee adopted the aforementioned draft Reports without any amendment/modification. The Committee also authorized the Chairperson to finalize the above-mentioned Reports and present the same to both the Houses of Parliament in the current Budget Session.

The Committee then adjourned.

(Vide Introduction of Report)

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/
RECOMMENDATIONS CONTAINED IN THE FORTY-THIRD REPORT (16TH LOK SABHA) OF
THE STANDING COMMITTEE ON ENERGY

(i)	Total number of Recommendations	16
(ii)	Observations/Recommendations which have been accepted by the Government:	
	Sl.Nos.1, 2, 3, 4,5, 6, 7, 9, 10, 11, 12, 13, 14, 15 and 16.	
	Total:	15
	Percentage	93.75%
(iii)	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:	
	Nil	
	Total:	00
	Percentage	0%
(iv)	Observations/Recommendations in respect of which the replies of the Government have not been accepted by the Committee and which require reiteration:	
	Sl. No. 8	
	Total:	01
	Percentage	6.25%
(v)	Observations/Recommendations in respect of which final replies of the Government are still awaited:	
	Nil	
	Total:	00
	Percentage	0%