

GOVERNMENT OF INDIA

MINISTRY OF POWER

RAJYA SABHA

QUESTION NO 26.07.2010

ANSWERED ON

SETTING UP OF MERCHANT PLANTS BY NTPC .

6

Shri Tariq Anwar

Will the Minister of RURAL DEVELOPMENT POWER be pleased to state :-

(a) whether it is a fact that NTPC proposes to set up merchant plants, the output from which will be sold in the open market;

(b) if so, the details thereof; and

(c) Government's reaction in this regard?

ANSWER

THE MINISTER OF POWER

(SHRI SUSHILKUMAR SHINDE)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF STARRED QUESTION NO. 06 TO BE ANSWERED IN THE RAJYA SABHA ON 26.07.2010 REGARDING SETTING UP OF MERCHANT PLANTS BY NTPC.

(a) to (c) :NTPC sells full quantum of its power from existing power stations to the State Power Utilities/Distribution Companies through long-term Power Purchasing Agreements (PPAs) as per the allocation finalized by the Ministry of Power and based on the tariff determined by the Central Electricity Regulatory Commission.

However, in Korba Super Thermal Power Project Stage-III (500 MW) and Farakka Super Thermal Power Project Stage-III (500 MW), NTPC has proposed that 65% and 63% of the power generated respectively from these plants may be sold outside long term PPA. The matter is under consideration of the Government of India. In two other hydro projects, NTPC have decided to convert them into regional power projects although they had earlier proposed selling the entire power outside long term PPA.