

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.3071
ANSWERED ON 18.12.2025**

DEVELOPMENT OF HYDROPOWER POTENTIAL

**†3071. SHRI DILIP SAIKIA:
SMT. KAMLESH JANGDE:
SMT. VIJAYLAKSHMI DEVI:**

**Will the Minister of POWER
be pleased to state:**

(a) whether the Government has launched any scheme to support the development of hydropower potential in Chhattisgarh, Bihar and North-Eastern States;

(b) if so, the details thereof; and

(c) whether the said scheme is likely to facilitate investment and create significant direct employment opportunities for local people and if so, the details thereof?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) & (b) : The Government has taken various measures to support the development of hydropower potential in the country including Chhattisgarh, Bihar and North-Eastern States; viz:

- i. Declaring large hydropower projects (capacity above 25 MW) as renewable energy source.**
- ii. Budgetary support towards cost of enabling infrastructure for Hydro Electric Projects (HEPs), i.e. roads, bridges, ropeways, railway siding, communication infrastructure and transmission line from power house to the nearest pooling point, including upgradation of pooling substations of State or Central Transmission Utility.**
- iii. Budgetary Support towards Flood Moderation/Storage Hydro Electric Projects.**
- iv. Central Financial Assistance (CFA) to the State Governments of North Eastern Region (NER) towards their equity participation for development of Hydro Electric Projects in the NER through Joint Venture between State entities and Central Public Sector Undertakings.**
- v. Waiver of Inter State Transmission System (ISTS) charges for HEPs.**

- vi. **The Government of India, vide Gazette notification dated 01.08.2025, has revised the capital expenditure limit of hydro generating stations to ₹3,000 crore, requiring the concurrence of the Central Electricity Authority (CEA). However, developers may seek technical guidance from the CEA for HEPs under exempted category.**
 - vii. **Vide Gazette Notification dated 27.09.2025, the Central Government has specified the Renewable Consumption Obligation (RCO) which also includes hydro energy.**
- (c) **The above measures are envisaged to promote the development of hydroelectric projects through participation of state governments and facilitate increased investment in the hydro sector due to their enhanced financial viability.**

The development of hydroelectric projects ensures local employment and developmental benefits in the project-affected areas. Contractual and service-based employment to local people, including Project Affected Families (PAFs) during project construction and operation phases generate livelihood and improved living standards of the local communities. Further, exclusive bidding opportunities are also provided to PAFs and local residents to promote entrepreneurship and sustained livelihood generation. In addition, Central Power Sector Enterprises (CPSEs) implement a wide range of developmental activities mainly in project areas covering social welfare, education, healthcare, infrastructure development, skill development and livelihood enhancement.
