

In addition to the above, the State Electricity Boards/Electricity Departments of the States of Karnataka, Andhra Pradesh, Tamil Nadu, Gujarat, Maharashtra, West Bengal, Rajasthan, Assam, Arunachal Pradesh and Mizoram have signed Memorandum of Agreement (MoA) with the Ministry of Power for undertaking reforms in the power sector and for achieving defined milestones as per agreed schedules. Madhya Pradesh, Himachal Pradesh, Uttaranchal, Punjab, Sikkim, Tripura, Meghalaya, Nagaland and Manipur are in the process of finalizing the MoA.

(c) Yes, Sir. The objective of the APDRP is that the States should be committed to making the State Electricity Boards commercially and financially viable. The MoU among other provisions provides for constitution of State Electricity Regulatory Commission, unbundling/corporatisation of the SEB, and rationalization of tariff structure. These provisions ensure accountability in the operations of the utility and tend to achieve the commercial and financial viability of the utility.

Credit worthiness of SEBs

2304. SHRI PRITHVIRAJ CHAVAN: Will the Minister of POWER be pleased to state:

(a) whether Government have asked credit rating agencies to rate the credit worthiness of the State Electricity Boards and to evaluate progress made by them in implementing the power sector reforms; and

(b) whether Government will consider these ratings to allocate funds under the APDRP?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) Ministry of Power offers facilitation and assistance to States and State Electricity Boards (SEBs)/Utilities like allocation of power from Central Sector generating stations, setting up of power stations by Central Public Sector Undertakings (CPSUs), undertaking large transmission projects, assistance for rural electrification, financial assistance by Power Finance Corporation (PFC) and Rural Electrification Corporation (REC), assistance under Accelerated Power Development and Reforms Programme (APDRP). In order to ensure that assistance and facilitation provided is systematic and transparent with a set of objectives to be achieved. Independent rating agencies are carrying out rating exercise of SEBs/Utilities with respect to their ability

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to become commercially viable, propensity to absorb investment and ability to serve such investment.

Power Fund

2305. DR. T. SUBBARAMI REDDY: Will the Minister of POWER be pleased to state:

(a) whether the Ministry of Power proposes to set up a Power Fund on the line of Resurgent India Bonds and India Millennium Deposits, both successful and popular with the non-resident Indians;

(b) if so, whether proposal has complete backing of Power Finance Corporation which is trying to get major financial institutions involved with project; and

(c) if so, to what extent it has succeeded in mooted the Indian Power Fund?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (c) Under 16th Electric Power Survey, the Central Electricity Authority (CEA) has projected a requirement of capacity addition of around 1,07,000 MW by 2012 AD. This along with associated Transmission & Distribution (T&D) system is estimated to require an investment of around Rs. 8,00,000 crores. Power Finance Corporation (PFC) has mooted a concept of India Power Fund (IPF) to meet the debt and equity requirements for this purpose. The proposal is at present at conceptual stage.

Techno-Economic clearance to Naphtha based Liquid Fuel Power Projects at Nanjangud and Mandya

2306. SHRI JANARDHANA POOJARY: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Government of Karnataka has sought Centre's Techno-Economic clearance for the Naphtha-based Liquid Fuel Power Projects at Nanjangud and Mandya; and

(b) if so, the details in this regard and by when, the clearance given to each of these projects?