

- (iii) Renovation and Modernization (R&M) of old existing generation units.
- (iv) Assistance by way of loans by Power Finance Corporation (PFC) for improving operation and maintenance of thermal power stations under accelerated generation programme.
- (v) Promotion of inter-state and inter-regional power transfers and increasing export of power from surplus Eastern Region to neighbouring regions.
- (vi) Coordinated operation of hydro, thermal, nuclear and gas turbine power stations in the regional power system.
- (vii) Augmentation of transmission, transformation capacity in the power system and installation of shunt capacitors to improve the voltage.
- (viii) Reduction of transmission and distribution losses.

**Expansion of Kayamkulam Power Project**

1188. SHRI V. V. RAGHAVAN:

SHRI J. CHITHARANJAN:

Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that the State Government of Kerala had submitted a proposal for the expansion of Kayamkulam power project by another 650x3 MW based on LNG by setting up of LNG terminal at Kochi;
- (b) if so, the details of the project; and
- (c) what is Government's decision on this proposal?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Government of Kerala have requested Ministry of Power/National Thermal Power Corporation (NTPC) to take up expansion of Kayamkulam Combined Cycle Power Project (CCPP).

(b) and (c) Kayamkulam CCPP Stage-I (350 MW) was dedicated to Kerala on its insistence. However, Kerala Electricity Board (KEB) has not been able to utilise full power from this project. Further, KEB has not made payments towards fixed charges for supply of

power from GT-I and GT-II of the project which was declared commercial with effect from 1st January and 1st May, 1999 respectively during their open cycle operation. This has resulted in accumulation of liability of Rs. 185 crores against KEB. NTPC is incurring huge loss from this project.

Nevertheless, NTPC is seriously pursuing Kayamkulam expansion project of 1950 MW (tentative) capacity. In view of the inability to utilise the full power of Stage-I, there is a proposal to take it up as a regional project in which Kerala will also have a share. The implementation of the project, as a regional station, would be contingent on a number of factors including availability of LNG in an appropriate time frame, price and terms, signing of Power Purchase Agreement with the State Electricity Boards of the Southern States (for utilising its full capacity) with sufficient payment safeguards etc.

#### **VRS in Rural Electrification Corporation**

1189. SHRI RAMDAS AGARWAL: Will the Minister of POWER be pleased to state:

- (a) whether Voluntary Retirement Scheme pronounced by Government for PSUs is presently under consideration in the Rural Electrification Corporation;
- (b) if so, the present status of the matter and by when it is likely to be implemented;
- (c) the conditions subject to which one might be eligible to opt for the scheme; and
- (d) the likely benefit that an employee might get under VRS?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (d) No such scheme is under consideration at present.

#### **Escalation in Cost of Power Projects**

1190. SHRI RAMDAS AGARWAL:  
SHRI ANANTA SETHI:

Will the Minister of POWER be pleased to state:

- (a) whether Government have so far undertaken any midterm or annual appraisal of such power projects in the country which are