

The Government of National Capital Territory of Delhi (GNCTD) has informed that in the case of three private DISCOMs, the Government of NCT of Delhi has issued directions under section 108 of the Act that the DERC will not issue the tariff order till statutory advice given by the Commission as asked for, is thoroughly examined by the GNCTD and the Government gives a go ahead for passing of tariff orders. In reply, Secretary, DERC on July 6, 2010 had written a letter forwarding advice approved by the Chairman, DERC. Delhi Government after due consultation with Law and Justice Department have sent it back to DERC on 20.07.2010 with the opinion that the said reply cannot be treated as statutory advice of the Commission under section 86(2) (IV) as it has not been approved by the majority of the Commission Members.

Further, it is submitted that a PIL is sub-judiced in the Hon'ble High Court of Delhi in case titled as Nand Kishore Garg Vs GNCT of Delhi and Others (PIL) on similar issue.

#### **FDI in power sector**

†1601. SHRI RAM JETHMALANI:

SHRI RAVI SHANKAR PRASAD:

Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that despite permission for 100 per cent Foreign Direct Investment in power sector, foreign capital investment in power sector is not encouraging;
- (b) if so, the total amount of foreign capital investment in power sector from the year 2003 to March, 2010; and
- (c) the reasons for foreign capital investment in the power sector not being encouraging in India?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI):  
(a) to (c) Government has allowed 100% Foreign Direct Investment (FDI) on automatic route for projects of electric generation (except atomic energy), transmission, distribution and trading.

Based on the information regarding FDI compiled by Department of Industrial Policy & Promotion, Ministry of Commerce, the year-wise FDI inflows in power sector has gradually increased from 2003-04 to 2009-10. The details are as under:

Amount in Rs. Crores							
Sector	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Power	131	241	386	713	3875	4382	6908
	(28)	(53)	(87)	(157)	(967)	(985)	(1437)

Note: The figures in brackets shows the amount in US\$ Million.

#### Effect of gas price hike on power generation cost

†1602. SHRI RAM JETHMALANI:

SHRI RAVI SHANKAR PRASAD:

Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that cost of power generation is likely to increase as the prices of gas is determined by Administered Price Mechanism (APM) method based on open market;
- (b) if so, the facts thereof; and
- (c) the extent of increase in per unit electricity cost in country as a result of the above variation?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI):

(a) to (c) The cost of power generation would marginally increase at national level with the increase in price of APM gas. However, cost of power generation from power stations where the percentage share of APM gas consumption is high, the increase in tariff will be higher.

A number of gas based power projects in the country have been running on APM gas. APM gas prices have been increased from 1.79 \$/MMBTU to 4.2 \$/MMBTU. An analysis has been done by CEA to know the effect of the increase in gas prices on the cost of generation and on All India tariff on pro rata basis based on Installed Capacity & Generation as on March, 2010. It appears that due to increase in APM gas price there would be marginal increase in All-India tariff by about 2.54%.

#### Delayed hydro power projects in Arunachal Pradesh

1603. SHRI PRAKASH JAVADEKAR: Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that the hydro power projects sanctioned to public and private companies in Arunachal Pradesh are lagging behind the schedule;

†Original notice of the question was received in Hindi.