

Major Policy Initiatives and Decisions

(BULLET POINTS)

Ministry of Power

- The National Rural Electricity Infrastructure and Household Electrification Programme launched to provide access to electricity to all households in five years. The Centre will provide 90 per cent capital subsidy under the scheme.
- The Government announced the National Electricity Policy which aims at accelerated development of power sector, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders.
- The Centre has issued guidelines for competitive bidding for determination of tariff for procurement of power by distribution licensees as provided for in the Electricity Act, 2003.
- Power generation during the year 2004-05 registered a 5.2 per cent growth.
- 2000 MW fresh capacity added by NTPC during the year.
- The Central Electricity Authority completed preparation of pre-feasibility reports of 162 schemes with an aggregate installed capacity of over 47000 MW under the 50000 MW hydro-electric initiatives.
- 78 schemes of capacity of 34,020 MW with first year indicative tariff below Rs.2.50/Kwh selected for taking up detailed S&I and preparation of DPRs.
- 57 schemes aggregating to an installed capacity of 27.816 MW have already been allotted to CPSUs/State Power Utilities for preparation of DPRs.
- 7 schemes of capacity of 1415 MW allotted to IPPs by State Governments for preparation of DPRs.
- Since January, 2004, 11 independent power producers facilitated to arrive at

financial closure for an installed capacity of about 4000 MW entailing an investment of Rs.15000 crores.

- Investment sanctions granted for 7 new transmission systems including strengthening of the national grid.
- An Expert Committee on Energy Policy actively pursuing the Accelerated Power Development and Reforms Programme aimed at bringing about techno-commercial revival of the distribution system.
- Review of the Electricity Act, 2003 being carried out and the concern of the stakeholders pertaining to affordability and availability of power for the rural poor being addressed through the Electricity policy and the Tariff policy.
- An Appellate Tribunal for Electricity under Section 110 of the Electricity Act notified and to be operationalised soon.
- 567 projects costing Rs.19,489 crores approved and Rs.5541 crores released under APDRP and Rs.956 crores incentive released to six states.
- A comprehensive awareness creation programme for energy conservation launched.