

# Standing Committee Report Summary

## Development of Hydro-Electric Sector

- The Standing Committee on Energy (Chairman: Mr. Mulayam Singh Yadav) presented its 43<sup>rd</sup> report on the development of hydro-electric (hydro) sector on December 13, 2013.
- The Committee expressed concern over the sole emphasis on thermal power generation, and recommended efforts for proper, effective and time-bound development of hydro potential of the country.
- The Committee recommended an urgent review of the hydro potential to factor in the additional data generated since the last (1978-87) review. It desired that such studies be conducted at regular intervals.
- Taking note of the low level of development of hydro potential in the Brahmaputra Basin/North East region, the Committee recommended that projects in this region be accorded top most priority.
- The Committee was unconvinced with the reasons cited by the Ministry of Power (MoP) and other agencies for the slow development of hydro projects.
- The Committee expressed concern about hydro projects, particularly central sector projects, missing the 11<sup>th</sup> and 12<sup>th</sup> plan targets. It advocated utmost efforts to ensure that the 12<sup>th</sup> plan targets are met.
- The Committee recommended adoption of a realistic and holistic approach for the growth of the sector. Such an approach should provide credible solutions for problems faced by the sector, raise transparency and provide a level-playing field to all participants.
- The Committee censured the Central Electrical Authority for delays in providing project approvals. It recommended a system where all approving agencies make a uniform platform for examining their aspects of the project and suggest solutions for smooth execution of the projects.
- Pumped-storage is used for storing energy during lean period by pumping water from a lower elevation reservoir to a higher elevation one. The Committee noted that pumped-storage generation in India is only at an experimental stage. It stressed on the need for assessment of pump storage schemes in other countries and how it can be adopted in India.
- The Hydro Policy 2008 aims to create a level playing field between private and public sector projects. The Committee noted that the Policy and other initiatives have been unable to make the desired impact. Hence, it recommended a thorough review of the Policy.
- Noting that private sector accounts for only 7% of the installed hydro capacity, the Committee recommended creation of conducive atmosphere to encourage their participation.
- The Committee recommended that adequate steps should be taken to remove the constraints for hydro projects. Some of the measures that may be taken are timely completion of project reports, time bound clearances, reliable communication and transportation infrastructure, effective coordination with various agencies and adequate security measures.
- The Committee emphasised the need for preventive measures to minimise damage to the plants from events like floods, landslides etc. It suggested that the positive impact of the Tehri Dam in preventing large scale destruction during the 2013 Uttarakhand flash floods should be highlighted.
- The Committee was concerned that NHPC Ltd is being run without a regular Chairman and Managing Director (CMD) for the last three years. It censured the conduct of the MoP in the process for selection of new CMD. It also felt that the role of Central Vigilance Commission needs review.
- The Committee underlined the need for review of the selection process for board level positions in Public Sector Undertakings (PSUs). It asked whether a ministry should have any role at all in selection of officers of PSUs under their administrative control.

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