

ACCELERATED DEVELOPMENT OF HYDRO POWER

The country has been experiencing severe shortages in energy and the peaking availability for last many years. India's incremental energy demand for the next decade is projected to be among the highest in the world. It has been estimated that in order to support a growth rate of the gross domestic product (GDP) of around 7% per annum, the rate of growth of power supply needs to be over 10% annually. This calls for rapid development of the country's power sector, especially hydropower sector with inherent peaking capability. Fast growing hydropower sector is crucial to sustain India's economic growth.

India has an identified hydropower potential of the order of 148701 MW (145320MW above 25MW), of which 23.74% of the identified potential (above 25MW) has already been developed in the country while another about 8.22 % is under construction. North Eastern Region together with Sikkim accounts for about 43% of the identified potential. However, in N.E. region, just about 2.06% of the identified potential (above 25MW) has already been developed in N.E. region, while another about 4.89 % is under various stages of development.

Considering the large untapped potential and the intrinsic characteristics of hydropower in promoting the country's energy security and flexibility in system operation, the Government is giving a thrust to accelerate hydropower development. During the 11th Plan period a capacity addition of 15627 MW of hydropower was envisaged. However, due to delay in completion of some of the projects, a capacity addition of only 5544 MW could be achieved during the 11th Plan period. During the 12th Plan, a capacity addition of about 88597 MW of power has been envisaged, which includes 10897 MW of hydro.

In the past various factors such as dearth of adequately investigated projects, environmental concerns, R&R issues, land acquisition problems, regulatory issues, long clearance approval procedures, power evacuation problems, dearth of good contractors, and in some cases, inter-state issues and law and order problems have contributed to the slow pace of hydropower development. There have been large time and cost overruns in case of some projects due to geological surprises. Though, the above concerns are being addressed through a number of legislative and policy initiatives at the Central and State levels, still various technical, infrastructural, financial and managerial issues & other challenges are to be handled for faster development of hydropower.

Some of the proposed issues for discussions during this session are:

Policy Initiatives - Clarity and Adequacy

Environment & Forest Clearance

Problem in Land Acquisition keeping in view the proposed bill on Land Acquisition and R&R

Need for infrastructural facilities like roads construction of bridges, strengthening of existing roads, efficient and reliable tele-communication links, better road transport/ air services etc.

Non-Availability of skilled man-power

Problems associated with Evacuation of Power

Conversion of Schemes from Storage to Run-of-River

Project Financing

Challenges faced by IPPs.

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