

Decks cleared for private N-power

Atomic Energy Act amendments open up sector to India Inc

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THE GOVERNMENT is considering a clutch of amendments in the Atomic Energy Act 1962 and exploring the possibility of allowing the private sector in civilian nuclear power, although consensus has not been hammered out yet.

While the government had said last month that it had not taken any decision about the participation of the private sector in nuclear power generation, the proposed Bill, the draft of which is available with the Hindustan Times, seeks to allow production and development of atomic energy

by a government company or a company authorised by it.

The Atomic Energy Act, 1962, allows nuclear power generation only by a central government company.

Nuclear Power Corporation of India Ltd, a public sector undertaking, is spearheading India's nuclear power programme with 17 reactors under operation and five under construction.

India's large private power utilities, Tata Power, Reliance, Larsen & Toubro (L&T) and the GMR Group are keen to enter the sector. The Tatas are in talks with French nuclear power major Areva for a technological tie-up and L&T is in talks with major players, including GE.

"Our chairman has already said the company is in talks with major players, including Areva. So, this should be welcomed considering the larger energy needs of the country," a senior Tata power official said.

The government is considering raising the target for nuclear power generation to 40,000MW by 2030 from 36,000MW.

"We welcome the amendment allowing private participation in India's nuclear power generation, though we have not yet received any information," MV Kotwal, senior vice-president, L&T, said.

India and the United States had signed a joint nuclear deal in 2005, which allows the United States to ship nuclear fuel and technology

to India, which in exchange would open its civilian nuclear reactors to international inspectors, but its strategic fast breeder reactors would remain off-limits.

The Ministry of Home Affairs (MHA), however, is not in favour of allowing private companies to enter the nuclear energy sector on security and safety grounds.

"If private companies are to be involved in the production and supply of nuclear power, the character and antecedents of these companies and their promoters and directors will be security vetted by the MHA", it said in its observations on the draft bill.

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Private power

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