Luhri Stage-I Hydro Electric Project

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Why in News

Recently, the **Cabinet Committee on Economic Affairs** has approved the investment for 210 MW **Luhri Stage-I Hydro Electric Project.**

It is located on **River Satluj in Shimla and Kullu** districts of **Himachal Pradesh.**

Key Points

- It is being implemented by **Satluj Jal Vidyut Nigam Limited** (SJVNL) on **Build-Own-Operate-Maintain** (BOOM) **basis** with active support from Government of India and the State Government.
    - **Government of India is providing grants of Rs. 66.19** crore for enabling infrastructure.
    - SJVNL has envisaged **Internal Growth Targets** of total installed capacity from all sources of 5000 MW by 2023, 12000 MW by 2030 and 25000 MW by the year 2040.
- **Significance:**
    - This project will generate **758.20 million units of electricity annually,** which will help in providing grid stability and improve the power supply position.
    - Besides adding **valuable renewable energy** to the grid, the project would also lead to a **reduction of 6.1 lakh tons of carbon dioxide** from the environment annually, thus contributing to an **improvement in air quality** and **less air pollution.**
    - The construction activities will result in **direct and indirect employment** and will **contribute to the overall socio-economic development** of the State.
    - **Himachal Pradesh will benefit with free power** worth around Rs. 1140 crore, during the **Project Life Cycle of 40 years.**
    - The project affected families will be provided with **100 units of free electricity per month for ten years.**

Source: PIB