

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2791
ANSWERED ON:06.12.2001
POWER DISTRIBUTION REFORMS
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Will the Minister of POWER be pleased to state:

- (a) whether the Government are going to take up district level distribution reforms;
- (b) whether steps are being taken to improve revenue earning capacity of State Electricity Boards and plugging loopholes in generation and distribution of power; and
- (c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (c) : The Government of India has launched a scheme in the year 2000 called Accelerated Power Development Programme (APDP) with outlays for 2000-01 and 2001-02 of Rs.1000 crores and Rs.1500 crores respectively to provide systematic financing to projects relating to (a) renovation & modernisation/life extension/uprating of old generating stations (thermal and hydel) and upgradation of sub-transmission & distribution network. Through the projects aimed at upgradation of sub-transmission & distribution, the Government aimed to bring about distribution reform at the district level. For this purpose, initially 63 distribution circles, have been taken up for upgradation of the sub-transmission & distribution network. It is proposed to ultimately operate a distribution circle as a profit centre and a feeder as a business unit. The measures that would be covered under APDP are metering at all transformation level, decentralized billing and collections, systematic replacement of LT lines with HT lines, augmenting transformation capacity, reconductoring, generating data base consumer-wise etc. It is also proposed to cover all the circles in the country during the 10th Plan (2002-2007). It is expected that the distribution reform will reduce technical and commercial losses in the transmission and distribution network and also result in improvement in the quality and reliability of power supply. The reduction of technical and commercial losses will improve the revenues of the State Electricity Boards.