

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:6730
ANSWERED ON:08.05.2003
APPOINTMENT TO ELECTRICITY REGULATORY COMMISSIONS
IQBAL AHMED SARADGI

Will the Minister of POWER be pleased to state:

- (a) whether the Electricity Regulatory Commissions which were created to play a crucial role in addressing crisis in the power sector has not been successful because most of the States have not yet reconciled to the concept of ERCs;
- (b) if so, whether there are delays in appointments, resistance to delegating full powers to the commissions;
- (c) if so, the reasons therefor;
- (d) the extent to which the Union Government have been able to implement the Electricity Regulatory Commission in all States;
- (e) whether all the State Governments have been urged to implement this decision; and
- (f) if so, the details thereof?

Answer

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

(a) : No, Sir.

(b) to (f) : Constitution of State Electricity Regulatory Commission (SERC) is optional under the Electricity Regulatory Commissions Act, 1998. Section 17 of the Act provides that the State Government may constitute SERC, if it deems fit. The Act also gives discretion to the State Government in terms of assignment of functions to SERCs. While sub-section (1) of section 22 of the Act stipulates mandatory functions of SERCs, sub-section 2 of section 22 provides for optional functions, which may be conferred upon the SERCs by the State Government, if they so choose.

Twenty-one SERCs have been constituted/notified. Out of these seventeen are functional. Fifteen Commissions have already started issuing tariff orders.

Operationalisation of SERCs has been made a pre-condition for Central assistance under the Accelerated Power Development and Reforms Programme (APDRP).