

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2509
ANSWERED ON:08.12.2006
GROWTH OF POWER SECTOR
Reddy Shri Karunakara G.

Will the Minister of POWER be pleased to state:

- (a) whether as per the assessment made by the Planning Commission the power sector in the country remains an area of serious concern;
- (b) if so, whether the Government has identified the major bottlenecks in the growth of the power sector;
- (c) if so, the details thereof; and
- (d) the steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (d) : According to the Planning Commission, shortage of power and lack of access continue to be a major constraint in economic growth and that the greatest weakness in the power sector is on the distribution side which is entirely in the domain of the States.

The Government has launched following major initiatives to overcome the problems of the power sector and to make it competitive and viable:

A meeting of Power Ministers of State was held and it was agreed that immediate action be taken for the commencement of new projects in the State sector as well as through competitive bidding. Adequate preparatory work regarding provision of land, water, clearance, and fuel tie up should be undertaken. Timely placement of order as well as project execution should be carefully monitored to see that targets are achieved.

Development of Ultra Mega Power Projects of about 4000 MW capacity each under tariff based competitive bidding route.

In order to reduce Aggregate Technical and Commercial losses, improving quality of supply of power, increasing revenue collection improving consumer satisfaction, Accelerated Power Development and Reforms Programme (APDRP), has been launched.

Periodical ratings of State power utilities for assessing the progress of reforms.

Permitting stand alone systems for accelerating electrification in rural areas.

Accelerated rural electrification of villages and rural households and introduction of High Voltage Distribution System for reducing power pilferage for reduction of losses.

Transparent policies regarding subsidies.

Promoting trading of electricity for better utilization of generation assets.

Accelerated Generation and Supply Programme (AG&SP) to support capacity augmentation through renovation and modernization and new generation schemes.

Power stations with low PLF have been identified and are linked with better performing stations under the scheme 'Partnership for Excellence' for adopting better operational practices.

Enhancement of Inter-State and Inter-regional transfer of power by strengthening of inter-regional transmission links eventually leading to formation of National Grid.

Implementation of energy conservation measures. Bureau of Energy Efficiency has been set up under the Energy Conservation Act.

Open access in distribution in phases as per regulations framed by State Electricity Regulatory Commissions.