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Title: Need to review the decision regarding privatization of distribution of power for allocation to States from mega power projects – laid.

SHRI K. FRANCIS GEORGE (IDUKKI): The Ministry of Power should urgently reconsider the decision regarding privatization of distribution for allocation of power from Mega Power Projects to States since that is an issue to be decided by SERCs in line with the policy of the State Governments. Besides the mega power policy of the Ministry confers many benefits to power projects by way of concessions in taxes, duties and other levies. It is well known that consumption of power in cities is comparatively higher than in rural areas. So the lion's share of energy from these mega and ultra mega power projects would flow to such cities. When distribution in cities is privatized, the benefit of cheaper power would be conferred on these private urban utilities and population, seriously misplacing the concession, ignoring the claims of poor millions in rural areas. I request the Ministry of Power to revise the stipulation that requires the State Governments to privatize the distribution sector and to give freedom to States to make their prudent choices in this regard.

14.02 hrs.