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Title: Request to permit the Andhra Pradesh Discoms to surrender the Firm's thermal Power allocation of Kudagi and Vallur plants due to financial distress.

SHRIMATI CHINTA ANURADHA : Sir, as you are aware, Andhra Pradesh is the first and foremost in the country in implementation of Direct Benefit Transfer scheme to farmers, has promised free power and is a pioneer in implementation of various measures initiated by the Government of India to achieve 175 Giga Watts (GW) of installed capacity in renewable energy. ...(*Interruptions*)

The present installed capacity of renewable energy projects in Andhra Pradesh is about 8,000 Mega Watt (MW). The debt of power sector in the State has increased from Rs. 31,648 crore in March, 2015 to Rs. 76,621 crore in August, 2020. The current liabilities of power sector -- after deducting the Government and private receivables by Discoms -- are increasing at a rate of Rs. 4,238 crore per year. The Government of India has assured support to the Andhra Pradesh power sector, and further asked for submission of the nature of support required in order to bring the Andhra Pradesh power sector out of financial crisis.

Andhra Pradesh Discoms have contracted power from Kudagi and Vallur Plants till the financial year 2040. In view of the financial distress being experienced by Andhra Pradesh Discoms, which is further worsened by the COVID-19 pandemic, the Andhra Pradesh Discoms are unable to pay for the costly thermal power. The overall cost of these Plants is exorbitant. Therefore, it is requested to permit the Andhra Pradesh Discoms to surrender the firm's thermal power allocation of

Kudagi and Vallur Plants of around 300 MW. This would reduce the per-year fixed costs payment burden by Rs. 325 crore.

Hence, on behalf of the Government of Andhra Pradesh, I would request the Power Minister, through you, to help and support the State of Andhra Pradesh. Thank you.