GOVERNMENT OF INDIA MINISTRY OF POWER LOK SABHA UNSTARRED QUESTION NO.2891 ANSWERED ON 08.08.2024

POWER REFORMS

2891 SHRI RAMASAHAYAM RAGHURAM REDDY:

Will the Minister of POWER be pleased to state:

(a) whether the Government has taken a decision to bring power reforms in the country;

(b) if so, the details thereof;

(c) whether the State Governments have been consulted in this regard;

(d) if so, the details thereof along with the suggestions placed before the Union Government by the State Governments in this regard; and

(e) if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) & (b) : Central Government has taken a series of measures for introducing reforms to ensure energy security of the country along with energy transition. Reforms have also been undertaken for maintaining financial viability of the power sector as well as to enable ease of living and ease of doing business. The major interventions made in bringing reforms in the power sector are at Annexure.

(c) to (e): All stakeholders including State Governments are duly consulted and the suggestions are considered, suitably, during formulation and implementation of measures for reforms in the power sector through rules, policies guidelines and orders etc.

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ANNEXURE REFERRED IN REPLY TO PARTS (a) & (b) OF UNSTARRED QUESTION NO. 2891 ANSWERED IN THE LOK SABHA ON 08.08.2024

- i. To promote energy security, Central Government has issued Guidelines for Resource Adequacy Planning Framework for Power Sector. These Guidelines provide time-bound and scientific approach to assess the electricity demand for future and to take advance action to procure capacity to meet such demand.
- ii. Central Government has launched Revamped Distribution Sector Scheme (RDSS) with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient Distribution Sector.
- iii. Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 have been notified to resolve the cash flow problems in the power sector arising out of delayed payment by distribution utilities.
- iv. Additional prudential guidelines have been introduced to ensure prudent lending and promote sustainable financial practices while sanctioning of loans to DISCOMs/ TRANSCOs/ GENCOs by REC and PFC.
- v. In order to enforce financial discipline in subsidy accounting and payment, Rules and Standard Operating Procedures have been issued.
- vi. Provisions have been made for automatic pass through of Fuel & Power Purchase Adjustment Surcharge (FPPAS) in monthly billing to ensure timely recovery of cost of supply of power.
- vii. Electricity (Right of Consumers) Rules, 2020 have been notified with the conviction that the power systems exist to serve the consumers and the consumers have rights to get 24X7 uninterrupted electricity supply and reliable services.
- viii. Rules have been prescribed to facilitate faster installation and enhance the ease of setting up Rooftop Solar PV systems.
- ix. The time period for obtaining a new electricity connection under the Rules has been reduced.

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- x. To facilitate Electric Vehicle (EV) charging, enabling provision for separate connection has been provided.
- xi. Green energy specific market segments have been introduced to facilitate energy transition.
- xii. Green Energy Open Access Rules, 2022 have been notified with enabling provisions for higher consumption of renewable energy.
- xiii. To promote the addition of renewable energy generation in the country, the waiver of Inter-State Transmission (ISTS) charges on electricity generated from solar and wind sources, Renewable Purchase Obligation (RPO) and Renewable Generation Obligation (RGO) have been introduced.
