

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:863

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TRANSMISSION AND DISTRIBUTION LOSSES

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**Will the Minister of POWER be pleased to state:**

- (a) whether Transmission and Distribution losses of power have been increasing in the country;
- (b) if so, the details in this regard during each of the last three years, State-wise, along with the reasons therefor; and
- (c) the efforts made by the Government to reduce Transmission and Distribution losses of power in the country?

**Answer**

THE MINISTER OF POWER ( SHRI SUSHILKUMAR SHINDE )

(a) & (b) : On the basis of available information, the Aggregate Technical and Commercial (AT&C) Loss of the State Power Utilities at the national level for 2003-04, 2004-05 and 2005-06 was 34.90%, 34.33% and 34.54% respectively. The State-wise details are at Annexure.

The reasons for AT&C losses are:-

(i) Technical Losses

# Overloading of existing lines and substation equipments # Old and outdated network # Low HT:LT Ratio # Poor repair and Maintenance of equipments # Non installation of sufficient capacitors # Substandard and inefficient, poor quality distribution equipments # Poor power factor of consumer end devices.

(ii) Commercial Losses

# Defective meters # Theft & Pilferage # Tampering of Meters # Low accountability of employees # Poor metering efficiency # Poor billing efficiency # Non realization of dues.

(c) : The Central Government has built a national consensus to focus on a time bound programme for reduction of Aggregate Technical and Commercial (AT&C) losses. In the Chief Ministers` Conference held under the chairmanship of the Prime Minister on 28th May 2007, a unanimous resolution was adopted which inter alia included the commitment of the States, with appropriate assistance from the Centre, to establish the necessary baseline data and information technology applications for energy accounting and auditing, and for ensuring a resolute elimination of electricity theft. In the Conference, the States committed themselves to achieve and sustain drastic reduction in the overall AT&C losses in the next five years and at least to a level of 15% in the Accelerated Power Development & Reforms Programme (APDRP) project areas.

APDRP was launched in 2002-03 under which additional central assistance was provided to States for taking up technical, commercial and management measures to reduce the losses. The technical measures included upgradation and strengthening of the distribution system, adoption of High Voltage Distribution System, Information Technology intervention, etc. Commercial measures included metering and billing and improved revenue collection. Management measures included adoption of energy accounting and proper network planning for future expansion, preparation of monitoring of the distribution system, etc.

Electricity Act 2003 was enacted to bring competition in the sector. It also provides legal framework for making theft of electricity a cognizable offence.