

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:2642

ANSWERED ON:04.12.2009

AMENDMENTS IN ELECTRICITY ACT

Joshi Dr. Murlī Manohar;Ray Shri Rudramadhab ;Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether the Government proposes to amend the Section 11 of the electricity Act, 2003;
- (b) if so, the details thereof and the benefits likely to be achieved therefrom;
- (c) whether some of the State Governments have tried to restrict the sale of electricity to other States;
- (d) if so, the details thereof, State-wise;
- (e) whether the private sector companies are likely to face disruption in trading of electricity; and
- (f) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI BHARATSINH SOLANKI)

(a) & (b): No, Madam. At present, there is no proposal to amend Section 11 of the Electricity Act, 2003.

(c) & (d): In the recent past, some independent power producers have brought to the notice of the Central Government, Planning Commission and the Central Electricity Authority that the State Governments of Karnataka, Tamil Nadu, Orissa, Andhra Pradesh, Maharashtra and Rajasthan have issued orders under Section 11 or Section 108 restricting supply of power outside the State. The details of orders issued by the above State Governments are as under:-

Sl. No	State	Section of the Act	Reasons specified in the order
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1.	Karnataka	11	In public interest - to bridge the demand supply gap.
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2.	Tamil Nadu	11	In public interest - due to power shortage
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3.	Maharashtra	108	In public interest - due to acute power shortage
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4.	Andhra Pradesh	11	In public interest
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5.	Rajasthan	RRVPL	Reasons not given letter dated
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6. Orissa 11 Acute power shortage and the  
resultant hardship to the public

(e) & (f): The private power generators who have entered into long term Power Purchase Agreements with utilities and consumers outside the State may face interference in selling of power under these contracts which amounts to violation of the sanctity of the contract. Providing non discriminatory open access to transmission and distribution systems is necessary for inter-state sale of power, market development, regulatory framework for tariff setting and protecting the interests of the consumers. The actions of the State Government are resulting in denial in open access.