

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

STARRED QUESTION NO:310  
ANSWERED ON:16.04.2010  
TRANSMISSION AND DISTRIBUTION LOSSES  
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**Will the Minister of POWER be pleased to state:**

- (a) the details of the transmission and distribution (T & D) losses in the country during each of the last three years and the current year;
- (b) whether the mid-term review has suggested substantial changes in the management and operation of power companies;
- (c) if so, the details thereof;
- (d) whether the Government proposes to use latest technologies to reduce the transmission cost and T & D losses;
- (e) if so, the details thereof; and
- (f) the efforts made or proposed to be made by the Government for optimal utilization of the available transmission assets and to reduce the T & D losses?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF STARRED QUESTION NO. 310 TO BE ANSWERED IN THE LOK SABHA ON 16.04.2010 REGARDING TRANSMISSION AND DISTRIBUTION LOSSES.

(a): T&D losses as measure of grid losses were replaced with AT&C losses for better clarity. States/UT-wise Aggregate Technical & Commercial (AT&C) losses for the year 2005-06, 2006-07 and 2007-08 as contained in the 6th `Report on Performance of State Power Utilities` published by Power Finance Corporation are given at Annex- A.

(b) & (c): According to the Planning Commission, the draft Mid-term review of the Eleventh Plan on Power Sector is yet to be approved.

(d) to (e): The Government of India launched Restructured APDRP in July, 2008 as a Central Sector Scheme for XI Plan. The focus of the programme is on actual, demonstrable performance in terms of loss reduction. Projects under the scheme to be taken up in two parts. Part-A is the projects for establishment of baseline data and IT applications for energy accounting/ auditing & IT based consumer service centres. The objective of the scheme is to reduce the AT&C losses to 15% in the project areas at the end of the scheme. The Utilities are also to achieve the following target of AT&C loss reduction at utility level:

# Utilities having AT&C loss above 30%: Reduction by 3% per year

# Utilities having AT&C loss below 30%: Reduction by 1.5% per year

Power Finance Corporation(PFC) is the nodal agency to operationalize the R-APDRP. 100% loan is provided under R-APDRP for Part-A projects and shall be converted to grant on completion and verification of same by Third Party Independent Evaluating Agencies (TPIEA) being appointed by MoP/PFC. Government of India has earmarked Rs.10,000 Crores for Part-A.

Part-B is regular distribution strengthening projects. 25% loan is provided under Part-B projects and up to 50% of scheme cost is convertible to grant depending on extent of maintaining AT&C loss level at 15% level for five years. For special category states, 90% loan is provided by GOI for Part-B projects and entire GOI loan shall be converted to grant in five tranches depending on extent of maintaining AT&C loss level at 15% level for five years. GOI has earmarked Rs.40,000 crores as loan for Part-B of R-APDRP.

The result of R-APDRP will be available only after completion of the projects. It is expected that on successful completion of the scheme, the AT&C losses will be reduced to the extent of 15% in the project areas.

(f): As stated above, the GOI has approved the R-APDRP for the 11th Plan. Under Part-B of R-APDRP, there is a provision of strengthening of existing distribution network of the utilities. On implementation of Part-B scheme, the line losses, outage of equipments and reliability of the distribution network would be improved which would ultimately be resulted in reduction of AT&C

losses up to the desired level.