

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:5854
ANSWERED ON:30.04.2010
REPORT ON TRANSMISSION AND DISTRIBUTION LOSSES
Hegde Shri Anant Kumar;Sharma Shri Jagdish

Will the Minister of POWER be pleased to state:

- (a) whether the Thirteenth Finance Commission has given its Report regarding the losses in the process of transmission and distribution of power in the country;
- (b) if so, the details thereof;
- (c) whether the loss assessed for the current year amounts to Rs.68,643 crore which is likely to increase to Rs.1,16,089 crore by the year 2014-15;
- (d) if so, whether the Government has fixed any time frame to check the said losses; and
- (e) if so, the details thereof?

Answer

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

(a) & (b): Yes, Madam. As per the Report of Thirteenth Finance Commission, the losses incurred in the process of Transmission and Distribution of power in the country by the State T&D Power Utilities are as under:

(Rs. In crores)				
2005-06	2006-07	2007-08	2008-09	
Financial loss	6634	13398	9985	9206
Subsidy	11741	13277	16950	18111
Total	18375	26675	26935	27317

(c) : Yes, Madam. As per the Report of Thirteenth Finance Commission, projected losses of State T&D Utilities at 2008 tariff is likely to increase from Rs.68,643 crores in 2010-11 to Rs.1,16,089 crore by the year 2014-15.

(d) & (e): The primary responsibility to curtail Aggregate Technical & Commercial losses lies with State Government/ Utilities. As such, no time frame has been fixed by the Central Government. However, Government of India has providing assistance to the State/Utilities to curtail the losses in distribution through the implementation of R-APDRP. Government of India has launched Restructured Accelerated Power Development and Reform Programme(R- APDRP) in July 2008 as a central sector scheme for XI Plan aimed at turnaround of power distribution sector. The scheme comprises of two parts-Part-A & Part-B. Part-A of the scheme being dedicated to establishment of IT enabled system for achieving reliable & verifiable baseline data system in all towns with population greater than 30,000 as per 2001 census (10,000 for Special Category States) Installation of SCADA/DMS for towns with population greater than 4 lakhs & annual input energy greater than 350MU is also envisaged under Part-A. 100% loan is provided under R-APDRP for Part-A projects & shall be converted to grant on completion and verification of same by Third Party Independent Evaluating Agencies (TPIEA) appointed by MOP/PFC. MOP, GOI has earmarked Rs.10,000 Crores for R-APDRP Part-A. Part-B deals with regular Sub Transmission & Distribution system strengthening & upgradation projects. The focus for Part-B shall be loss reduction on sustainable basis. 25% loan is provided under Part-B projects and upto 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. 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.