

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:3270  
ANSWERED ON:13.08.2010  
POWER SAVING IN AGRICULTURAL SECTOR  
Adsul Shri Anandrao Vithoba;Yadav Shri Dharmendra

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

- (a) whether the Union Government proposes to launch a pilot project to save power in the agricultural sector;
- (b) if so, the details thereof;
- (c) the names of the States selected for launching the pilot project;
- (d) whether the Union Government has prepared Detailed Project Reports of the short listed demand side management projects recently; and
- (e) if so, the details thereof?

**Answer**

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

(a) to (c) : Yes, Madam. The Union Government has undertaken pilot project for implementation of Agricultural Demand Side Management project in five states, namely, Maharashtra, Gujarat, Punjab, Haryana and Rajasthan.

In these pilot projects, a private-sector Energy Service Company (ESCO), chosen through competitive bidding, would invest in implementing energy efficiency measures (such as replacement of current inefficient pumps by star-labelled efficient pumps) on a rural pump set feeder on which segregation of domestic and agricultural load has been done, or High Voltage Distribution System (HVDS) have already been carried out. The energy- efficiency measures implemented by the ESCO would lead to lower energy demand on the feeder. Hence, it could result in lower agricultural power tariff subsidy to be paid by the State Government to the electricity distribution company. Part of the savings in the subsidy payment would be paid to the ESCO on an annual basis to pay back for their investment in implementing energy efficiency measures.

In this public-private partnership based business model, which is being piloted through these projects, neither the farmers, nor the electricity distribution company or the state government have to invest in the upfront cost of pump-set replacement and other energy-efficiency measures. It also leads to a reduction in the subsidy being paid by the state government to the electricity distribution companies. The pilot projects will illustrate the viability of this business model, and the scope for its large-scale replication.

(d) & (e) : Yes, Madam. The Detailed Project Reports for pilot projects in the five states i.e. Maharashtra, Gujarat, Haryana, Punjab and Rajasthan, have been prepared. The details of the pilot projects in these five states are given at Annex.