

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:1715

ANSWERED ON:19.11.2010

TRANSMISSION AND DISTRIBUTION LOSSES

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

- (a) the targets set and the achievement made in reducing the Transmission and Distribution (T & D) losses in the country during each of the last three years and the current year, State-wise;
- (b) whether the Government proposes to give performance based incentives to the States for reducing the T&D losses;
- (c) if so, the details thereof;
- (d) whether the Government has formulated any scheme for minimizing power losses/wastages in the recent past;
- (e) if so, the details thereof along with the funds sanctioned for the purpose; and
- (f) the benefits achieved in terms of reducing T&D losses after implementation of such scheme?

**Answer**

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

(a) : No, Madam, the Government of India has not set the targets in reducing the Transmission and Distribution (T&D) losses in the country during each of the last three years and the current year.

(b) & (c) : Yes, Madam. Under the Part-B of Re-structured APDRP for XI Plan, the Government proposes to incentivise the State Power Distribution Utilities for reduction of AT&C losses to the extent of 15% in the project area on sustainable basis for five years. The scheme comprised of two parts-Part-A & Part-B. Part-A of the scheme for establishment of IT enabled system for achieving reliable & verifiable baseline data system. Part-B is for regular Sub-Transmission & Distribution system strengthening & up-gradation projects. Up to 25% (90% for special category states) of the project cost as loan is being provided by the Government of India and balance is to be arranged by Financial Institutions/own resources. Up to 50% (90% for special category states) of scheme cost will be converted in to grant for achieving AT&C loss level at 15% level for five years.

(d) : Yes, Madam, the Government of India has formulated the Re- structured APDRP as central sector scheme for minimizing the power losses/wastages in sub-transmission & distribution system of State power distribution Utilities. The brief of the scheme is given below: The Government approved the Re-structured APDRP during the XI Five Year Plan as a Central Sector Scheme on 31st July, 2008. PFC is the nodal agency for operationalising the programme. The focus of the programme is on actual, demonstrable performance in terms of loss reduction. Establishment of reliable and automated systems for sustained collection of accurate base line data, and the adoption of Information Technology in the areas of energy accounting will be necessary pre-conditions before sanctioning any projects for strengthening & up-gradation of sub-transmission and distribution networks. Projects under the scheme to be taken up in Two Parts. The activities to be covered under each part are as follows:

Part – A: Preparation of Base-line data for the project area covering Consumer Indexing, GIS Mapping, Metering of Distribution Transformers and Feeders, and Automatic Data Logging for all Distribution Transformers and Feeders and SCADA / DMS system for big cities only. It will also include adoption of IT applications for meter reading, billing & collection, energy accounting & auditing, redressal of consumer grievances, establishment of IT enabled consumer service centers etc.

Part – B: Renovation, modernization and strengthening of 11 kV level Substations, Transformers/Transformer Centers, Re-conductoring of lines at 11kv level and below, Load Bifurcation, Load Balancing, HVDS, installation of capacitor banks and mobile service centers etc. In exceptional cases, where sub-transmission system is weak, strengthening at 33 kV or 66 kV levels may also be considered.

Initially 100% funds for Part A and 25% (90% for special category states) funds for Part B projects shall be provided through loan from the Govt. of India. The balance funds for Part B projects shall be raised from financial institutions. The entire amount of loan for Part-A projects shall be converted into grant once the establishment of the required Base-line data system is achieved and verified by an independent agency appointed by Ministry of Power. Up-to 50% (90% for special category States) of the project cost of Part-B projects shall be converted into grant in five equal tranches on achieving the 15% AT&C loss in the project area on a sustainable basis for a period of five years. In addition, utility level loss reduction (AT&C losses) @ 3% per annum for utilities with baseline loss levels exceeding 30% and @ 1.5% for utilities with baseline loss levels less than 30% have to be achieved.

(e) : So far, under Part –A of Re-structured APDRP 1401 projects worth Rs.5305.23 Crore covering almost all eligible towns in the country and under Part-B 644 projects worth Rs.10859.33 Crore for 13 States have been approved by the Government of India.

(f) : The state power distribution utilities are in the process of award of works for execution of the sanctioned projects. The standard project completion cycle is 24 months and 36 months for Part –A and Part –B schemes respectively, the benefits achieved or the result will be known on the completion of the projects.