

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:735

ANSWERED ON:25.02.2011

RESTRUCTURED ACCELERATED POWER DEVELOPMENT AND REFORMS PROGRAMME

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Will the Minister of POWER be pleased to state:

- (a) the guidelines of the Restructured Accelerated Power Development and Reforms Programme (R-APDRP) along with the specific objectives to achieve under the scheme;
- (b) whether for efficiency improvements during the Eleventh Five Year Plan the States and UTs have been provided with incentive and grants under the scheme;
- (c) if so, the details of the incentive and grants provided to States/UTs during the above said period; and
- (d) the specific reasons that caused hindrance for the State Government of Orissa from not receiving such grants under the scheme?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a): Guidelines of R-APDRP are placed at Annex.

With the aim to reduce the AT&C losses up to 15% in the country and improvement in power distribution sector, Government of India has launched the Restructured-Accelerated Power Development and Reforms Programme (R-APDRP) during 11th Plan period. The focus of R-APDRP is on actual demonstrable performance by utilities in terms of sustained AT&C loss reduction. Projects under the scheme are being 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.

(b): No, Madam. However, under the Part-B of Re-structured Accelerated Power Development and Reforms Programme(R-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.

(c): 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.

(d): As per the approved CCEA note of R-APDRP, the participation of the private utilities in R-APDRP will be re-considered after a period of two years from the date of sanction of R-APDRP (i.e. 31.07.2008).

The proposal for participation of private utilities in R-APDRP is under preparation for further consideration.